

CP7 Delivery Plan

2024-2029

North West & Central

March 2024



NetworkRail



North West
& Central

Foreword



North West & Central (NW&C) plays a vital role for the UK, connecting people and goods with our largest cities, and connecting England with Scotland and Wales. We operate the railway as well as maintaining the assets for today, renewing them for a sustainable tomorrow and enhancing the network for long-term economic growth. Our railway's purpose is to serve the needs of communities and economies now, and for the future.

Our mission is to provide and operate safe, efficient, and reliable infrastructure for our passengers and freight users to enable economic growth and social value. Our industry's success relies on us as custodians of our railway to approach our future with an innovative mindset to modernise our way of working, to minimise the burden on the public purse and optimise outcomes for passengers and freight.

We have the privilege of a secured funding settlement for the next five years. This allows us to develop plans to ensure that every pound of our settlement is productively spent in the best interest of passengers and freight users. The settlement is not without its challenges, as our overall asset age increases and climate change places greater demands on the asset base. We have had to make considered decisions about how and where we invest to offer the best possible service and value for money, while remaining relentlessly focused on optimising train and freight performance. We're committing to becoming even more efficient, leading the industry to do things better together so that we get more for every pound we put in the ground.

During CP7, major investment projects including the TransPennine Route Upgrade, East West Rail, Midlands Rail Hub and our Manchester infrastructure upgrades will transform travel across our region, providing faster, greener and more reliable journeys, and support levelling-up. Our renewals programme will begin the modernisation of the north end of the West Coast Main Line, where infrastructure was last modernised in the early 1970s, supporting improved reliability and the introduction of HS2 services over the longer term.

Rail plays a crucial role in supporting decarbonisation. We will drive further decarbonisation of our network to support the government and cities along our route to hit their net zero emissions targets whilst creating cleaner, greener spaces for the public to enjoy.

Focusing on ensuring 'Everyone Gets Home Safe Every Day' is the safety culture we must work towards; as well as listening, learning and building on experience from our recent past. We will seize every opportunity to make use of modern technological solutions and innovate our processes and systems so that we can better manage risks, deliver benefits, and implement improvements for our people, passengers, and the public. Investing in our people will also be crucial for our people-led organisation, developing a right-sized workforce that's ready for the future will drive positive outcomes for our performance.

Rob McIntosh

Managing Director, North West & Central

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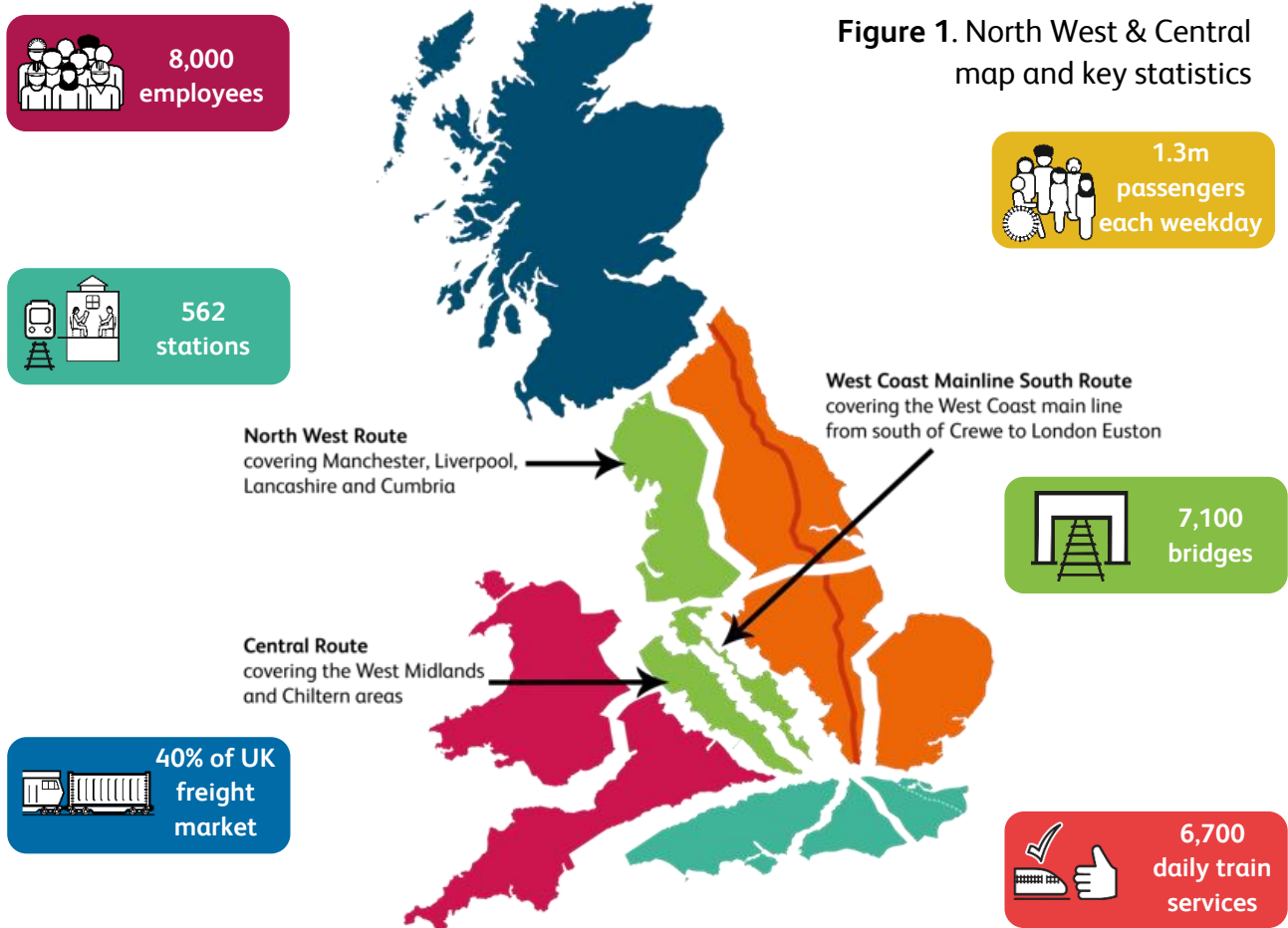
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Who we are

Our region links London, Birmingham, Liverpool and Manchester, four of Britain’s biggest cities and the main economic drivers of the country. It includes one of Europe’s busiest mixed-use railways, West Coast Main Line (WCML) – the low carbon spine of our nation. North West & Central (NW&C) represents 24 % of Britain’s railway infrastructure. Our region has a proud heritage, but also an ambitious future. Our vision is a simpler, better, greener railway.

We connect workers with jobs, people with loved ones and goods to markets. Our region supports economic growth and social value generation in communities across the North and the Midlands. We serve long-distance business travelers, leisure passengers and commuters.




The WCML is also one of the busiest freight routes in Europe, carrying 40 % of all UK rail freight traffic. Each freight train takes up to 76 heavy good vehicles off the road and supports ambitious government decarbonisation targets – with each train producing 76 % less carbon emissions than an average HGV.



Through our three devolved route businesses (North West, Central, West Cost South), supported by Capital Delivery and our regional support functions, we aim to deliver a great service for passengers, freight customers, communities and taxpayers, while enabling local economic growth. Delivery of the Transpennine Route Upgrade (TRU) enhancement programme is now also managed and overseen within our region, having previously been included in the Eastern Strategic Business Plan.

Our 2024-29 plan on a page

Our £8.2bn* settlement is a significant vote of confidence in us as a region. We have engaged our stakeholders throughout our multi-year planning process to understand their priorities and in turn develop this ambitious but achievable delivery plan, ensuring that every pound counts towards delivering a safe, reliable and efficient railway.

Network Rail theme	NW&C strategic Must	Our targets and priorities for CP7
 Safety	 Safety, Health & Wellbeing	<ul style="list-style-type: none"> Sustain the workforce safety improvements made in CP6, with Workforce FWI at 0.050 by the end of CP7. Deliver key milestones to improve passenger safety.
 Train Service Delivery	 Service	<ul style="list-style-type: none"> Maintain a good level of passenger train performance, with On Time improving to 63.3% ** and passenger cancellations reducing to 3.0%. Improve passenger satisfaction at our managed stations with a target survey score of 65.6%. Reduce Freight Cancellations to 1.0%. Support Freight growth of 8.6% by the end of CP7.
 Customers & Communities	 Sustainable Growth	<ul style="list-style-type: none"> 21% reduction in carbon emissions by the end of CP7. 4.0% net gain in biodiversity. 5.0% improvement in air quality at our stations.
 Efficiency	 Efficiency	<ul style="list-style-type: none"> Control our finances robustly to ensure we spend every pound of our settlement wisely. Deliver over £770m of direct efficiency savings.
 People	 People	<ul style="list-style-type: none"> Improve our colleague engagement from 50% to 53%. Create a robust strategic workforce plan, improving how we plan people resource for the future. Upskill our leaders and line managers through new development programmes.

* Fully allocated costs are £10.7bn, £8.2bn of which are directly incurred by NW&C with remainder allocated from national functions, reflecting agreed allocation principles.

**On Time for years 3-5 is subject to a reset of the targets by the end of year 2.

North West route summary

Who we are

North West (NW) route runs from Cheshire in the south to Merseyside, Greater Manchester, Lancashire, and Cumbria in the North, with the two Northern Powerhouse cities of Liverpool and Manchester on the route. It also contains the world-class tourist destinations of Blackpool and the Lake District. Major stations across the route include Carlisle, Crewe, Liverpool Lime Street, Manchester Victoria and Manchester Piccadilly.

Our strategic objectives

- To deliver a resilient and reliable train service.
- To spend taxpayers' money wisely and deliver efficiency.
- To keep our people and the public safe.

What will we deliver

- Renewal of the Overhead Line Equipment (OLE) from Preston-Brook to Catterall will improve the asset condition and resilience of the line. We are reviewing stressing ranges on OLE before heat-related speed restrictions are required to improve reliability, resilience and reduce the maintenance burden.
- We will commence a programme of re-signalling in the Carlisle, Preston and Warrington areas, starting the transition to modern European Train Control System (ETCS) signalling. This will be the first implementation of ETCS in the NW route and will increase capacity on the WCML and enable HS2 trains to run on our infrastructure, reducing maintenance workload and removing signal sighting problems.
- Optimising access by aligning renewals, maintenance and third party works to minimise disruption to our passengers and communities, and to generate efficiency.
- Developing a growth mindset as part of our route reorientation and instilling accountability in our people to deliver our CP7 plans.
- Embracing the market-led insights and approach and embedding a continuous process to deliver efficiency and best in class unit rates.



“The challenges ahead are significant, but so is our determination. We believe in our ability to not only overcome obstacles but to transform them into opportunities for excellence and deliver our ambitious CP7 plans.”

Phil James, Route Director



Central route summary

Who we are

Central route is the heart of Britain's railway. We serve over a million passengers a week and directly connect people to major cities across Britain and to London Marylebone via Chiltern Railways. Across Central route, 200,000 tonnes of freight moves between ports, warehouses and depots. Birmingham New Street is at the centre of Britain's second city, complemented by Moor Street and Snow Hill to keep the West Midlands moving.

Our strategic objectives

- Put Everyone Home Safe Every Day at the heart of what we do.
- Know that Every Minute Matters and an on-time railway is our promise to our passengers.
- Become more efficient, grow revenue, and win investment, making every pound matter.

What will we deliver

- Reduction of train accident risk through investment in track, earthworks and structures.
- A reduction in the cost of delivery (unit rates) across the entire portfolio using a market led and value of service approach working with our supply chain.
- Creating a culture that will firmly embrace technology change that clearly demonstrates a paradigm shift in how we operate, maintain and renew our railway.
- Making targeted safety interventions using both strategic and bottom-up approaches.
- Implement a robust set of interventions that enable getting the basics right and improving performance.
- Deliver a wide variety of community focused schemes and making Birmingham New Street an exemplary station for our customers.



“The successful delivery of our CP7 plans will only be possible through the continued hard work and dedication of everyone across the route. I am committed to the CP7 vision and I can't wait to make sure the next 5 years are even more successful than CP6.”

Denise Wetton, Route Director



West Coast South route summary

Who We Are

The West Coast South (WCS) route stretches from the south of Crewe to London Euston, providing commuter links direct to the capital through Hertfordshire, Northamptonshire, and Buckinghamshire. London Euston is the tenth busiest station in the country and the WCML is one of the busiest mixed-use railways serving over 71 million people each year and carrying 40% of all UK rail freight traffic.

Our Strategic Objectives

- Financial sustainability.
- Collaborative industry approach.
- Right people, right place, right time.

What will we deliver

- Collaborative working systems: WCS is actively embracing innovative collaboration methods to improve financial efficiency, ensuring smoother operations for both passengers and freight with minimal disruption.
- Hanslope switches and crossings renewal: enhancing the reliability and performance of critical assets within WCS, ensuring a robust and reliable railway.
- Promoting safety through level crossing closures: WCS is undertaking level crossing closures in Marston and Kempston as part of a comprehensive risk reduction strategy, prioritising the safety of both the public and railway users.
- Revitalising for passenger safety: the full platform renewal at Milton Keynes underscores our commitment to passenger safety, helping to ensure the longevity of essential infrastructure for a secure and reliable commuting experience.
- Right people, right place, right time: our success centres on deploying a talented, well-trained and diverse workforce with a focus on governance, assurance, and control.



“Running a safe and reliable railway for our passengers, freight users and lineside neighbours drives everything we do. Our route business plan builds on our ambition in providing a railway fit for the future. From improving drainage and weather resilience, to paving the way for HS2 and everything in between.”

Gary Walsh, Route Director



North West & Central Capital Delivery summary

Capital Delivery (CD) is a region wide function integral to delivering our CP7 infrastructure renewals and upgrade commitments.

Table 1. Capital Delivery objectives

NW&C Purpose	Capital Delivery Goal
Not hurting anyone, our people, or passengers	Working with our suppliers to continue the drive for sustained improvements in our safety record
Delivering our financial commitments	Fulfilling our forecasted efficiency commitments Delivering best in class unit rates across all disciplines
Running trains on time	On schedule delivery of our planned effective volumes

By working with parties from across the industry, we have set out how we plan to achieve our goals by prioritising the following:

- Embodying the Minimal Viable Product (MVP) ethos with ambitious plans to be best in class.
- Swift, Pragmatic and Efficient Enhancement Delivery (SPEED): Empowering all parts of the business to constructively challenge and be intolerant to inefficiency.
- Embedding our Intelligent Client Operating Model (ICOM) with a focus on a risk based approach.
- Establish aligned objectives whereby all parties which influence project outcomes are measured on how they enable success.
- Incentivise our CP7 supply chain based on NW&C CD's objectives by introducing a workbank reallocation process for poor performance and payments for delivering under budget.
- Challenge conventional thinking by promoting innovative solutions during planning.

With the support of our supply chain, delivering our ambitious CP7 plans will provide meaningful benefits to the passengers, freight users and communities we serve.

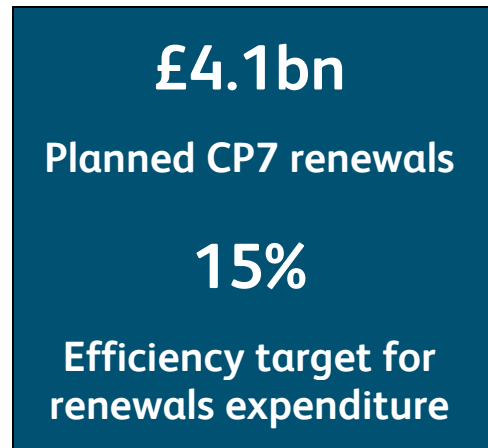


Figure 2. Electrification work



Figure 3. Tunnel repair work



West Coast Mainline North and Crewe Hub

Our West Coast Mainline North (WCN) and Crewe Hub programmes are an essential part of our CP7 plans.

Figure 4. West Coast North map



The West Coast Mainline is one of the most important and busiest rail corridors in the UK for both passengers and freight, connecting Glasgow and Edinburgh with Manchester, Liverpool, Birmingham and London, and carrying 40 % of all UK rail freight traffic. It provides a key revenue stream for the entire railway and plays a vital role in achieving our national freight growth target and drive progress towards net zero. However, growth will be limited by the route's capacity and the declining reliability of the ageing assets.

The northern part of our region was last modernised in the 1970s and we have worked hard to make assets in the area last longer than originally intended. CP7 is the ideal time to renew these assets in order to support the national freight growth target, optimise the benefits from the introduction of HS2 in CP8 and to minimise the disruption to rail users and lineside neighbours during its construction in CP7.

HS2's introduction forms one of the most significant improvements to our railway network for generations. It will deliver economic and societal change and leave a lasting legacy for future generations. Following the Government's announcement of the cancellation of HS2 Phase 2, we are working with HS2 Ltd and the Government to identify the impact that this decision has on our CP7 plans. We will update our CP7 plans once our reviews of HS2-related works conclude.

The remaining scope of the WCN and Crewe programmes are designed to address the remaining capacity and reliability issues and we intend to be agile in response to any further changes.

Our plans entering CP7

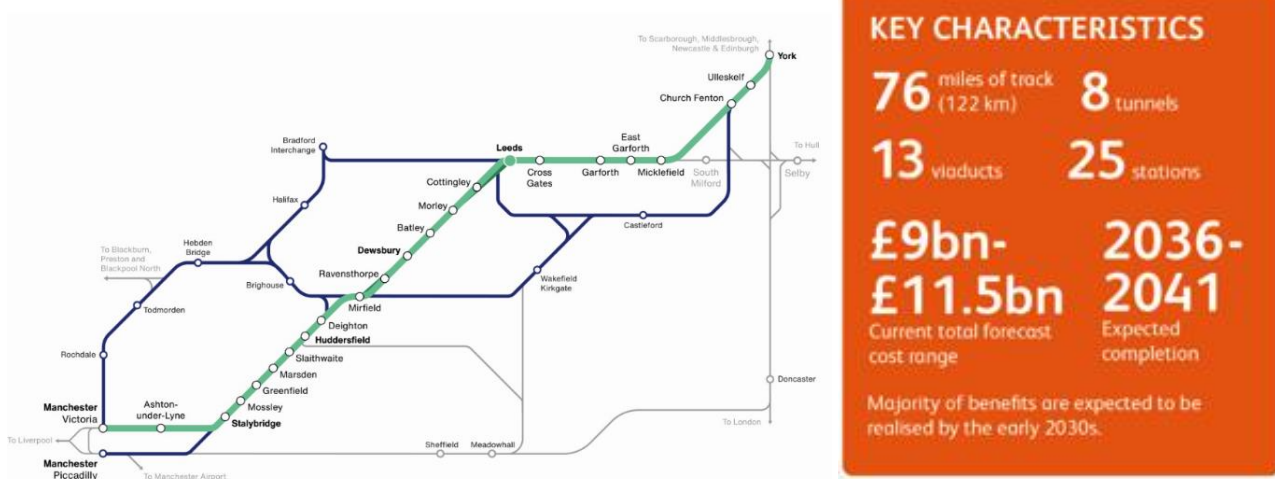
Development work for WCN programme infrastructure renewals is underway. Engineering access will be optimised on a whole industry basis, to minimise disruption and maximise efficiency.

A strategy/scope review of our Crewe programme is in flight. We are mindful of the need to address the issues caused by asset obsolescence in and around Crewe and we will remain agile to grasp opportunities from any HS2 changes.

Transpennine Route Upgrade

Connecting with Manchester in the north of our region, the Transpennine Route Upgrade (TRU) is a major, multi-billion pound improvement programme which will support economic growth in the North by bringing more frequent, faster, greener trains between Manchester, Huddersfield, Leeds and York on a fully electrified, more reliable railway.

Figure 5. Transpennine Route map



TRU has a completion date between 2036 and 2041 but will release tangible benefits to our railway users during CP7. Completed in 2023, Key Output 1 delivered improvement work on diversionary routes via Calder Valley, Healey Mills and Castleford, enabling three extra trains per hour together with station improvements, keeping passengers moving during work on the core Transpennine line. Due in 2024, Key Output 2 will see completion of electrification between Manchester and Stalybridge, replacing diesel trains with a greener, more reliable electric fleet.

Key benefits for passengers

- Faster journey times between Manchester, York and Leeds.
- Up to six fast services every hour between Leeds and Manchester.
- More reliable journeys and improved, more accessible stations.

Key benefits for funders, delivering 15 % cost efficiency by

- Introducing engineering innovations so we can work faster and smarter.
- Making sure we only build the minimum viable product (MVP) required.
- Scheduling our works to get as much done as possible when the railway is closed.

Key benefits for local communities. By 2035 TRU will

- Create jobs for local people, with 3,500-4,000 people working on TRU at its peak.
- Reduce operational carbon emissions of up to 87,000 tonnes each year as well as reducing construction carbon through innovation, supporting the Net Zero objectives.
- Deliver a minimum 10 % enhancement of biodiversity along the route.
- Engage with over 100,000 young people through our inclusive education programme.

Our strategy and outcomes

Our industry faces unprecedented challenges. The COVID-19 pandemic has changed passenger behaviour, extreme weather has impacted the condition of our assets, and the economic climate has put increasing pressure on the finances of both our region and the users of our railway. We need to respond to these challenges and create a simpler, better, greener railway.

Our purpose as custodians of the railway remains unchanged. We will provide a safe, reliable and efficient railway for our passengers and freight users, enable economic growth and deliver social value. Our delivery plan is ambitious yet achievable. It sets out how we will meet challenges head on through deeper devolution, further modernisation, innovative solutions and by taking market-led, data-driven approaches to tough decisions to ensure every pound counts.

Throughout our planning process we have engaged our stakeholders every step of the way. Driven by their priorities, we have developed our regional strategic framework that is closely aligned to the Government's objectives for rail and the Network Rail strategic themes around which this document is structured.

Figure 6. North West & Central strategic framework and alignment to Network Rail strategy



Our strategic framework puts our customers at the heart of everything we do and is formed of five areas where we must succeed:

Safety, Health & Wellbeing: we must manage risks to protect the safety, health and wellbeing of our people, passengers and the public. We must not have life changing injuries (mental or physical) while maintaining and renewing our infrastructure.

Efficiency: we must improve how we do things to save public money each year.

Service: we must deliver a flexible and reliable service that enables more passengers and freight users to choose rail.

Sustainable Growth: we must deliver a rail network that supports the economy, protects the environment and makes our communities a great place to live.

People: we must train, develop and support our people to work respectfully as one team.

Our framework provides the foundation for this delivery plan. The following pages set out what we will deliver over the five years of CP7, playing our part in delivering towards Network Rail's six strategic themes and delivering a safe, reliable and efficient railway now and in the future.



Safety

Safety is at the heart of everything we do and throughout CP7 we will continue to work towards making it inevitable that Everyone Gets Home Safe Every Day. We delivered significant safety improvements in CP6 and it will be a key priority to sustain these improvements in CP7, continuing to listen and learn as we manage the condition of aging assets in a changing climate. Our plans take a risk-based approach to safety, spending money wisely to sustain recent safety improvements and seizing every opportunity to innovate for the benefit of our people, passengers and the public. Our plans reflect our assessment of the change in risk profile resulting from fewer renewals and taking a more maintenance-based approach to managing our infrastructure. In collaboration with Technical Authority and Route Services, we will deploy technology to support improvements. A key focus in CP7 will be on the continuous improvement of our safety culture and health and wellbeing of our teams.

Our strategic objectives

- Sustained improvements in workforce safety, to ensure no life changing and life ending injuries over the entire control period.
- Sustained improvements in passenger safety and public safety, reducing level crossing, trespass and train accident risk.
- Improved statutory compliance.
- Develop towards becoming a world-leading organisation for safety excellence and culture.



Public Safety

Our CP7 public safety plans for CP7 involve:

- Reducing level crossing risk by renewing signalled level crossings, including Automatic Half Barriers (AHB) and Manned Gated Crossings (MGC).
- Roll out the delivery of the Vamos programme and reviewing risk assessment and inspection compliance. Vamos is a light signage system that significantly reduces accident risks at manually-operated and low-traffic crossings.



Workforce Safety

A mature safety culture where safety is a core value and consistently improving, awareness of risks, courage to report issues, lessons are learnt, and individuals are treated fairly. In CP7 we will:

- Equip our Health & Safety professionals with the right competencies.
- Robustly plan work to protect teams from trains and machines and ensure they can safely access worksites.
- Implement systems to minimise road vehicle risks and protect drivers, passengers and the public. We will ensure vehicles are checked, safe and legally compliant.
- Implement the new Fatigue Management standard to support our teams to be fit for work.



Workforce Occupational Health and Wellbeing

Our plans to address workforce occupational health issues include:

- Investment to upgrade small plant to reduce incidence of hand arm vibration syndrome.
- Reducing the respiratory impact related to working with silica dust and welding fumes.
- Reducing noise impact.
- Improving management of asbestos to ensure our workers are appropriately protected as they interact with our infrastructure and meet compliance requirements.
- Seeking to enhance our health surveillance programme with more pro-active health monitoring arrangements.
- Mental Health and Wellbeing Campaigns and Mental Health First Aid training.



Passenger Safety

To achieve sustained improvements in passenger safety we will:

- Provide an independent assessment of compliance and allow for positive and negative findings to be shared between our managed stations.
- Target the highest risk areas for crime prevention measures.
- Reduce the risk of signals being overrun to ensure safety across our lines. This includes reviewing on-board cab footage to identify potential SPAD (signals passed at danger) scenarios and inform a targeted approach to interventions which reduce SPAD risk.

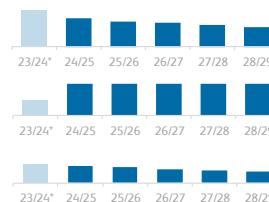


Risk Management & Investigations

We have worked collaboratively with Technical Authority and other regions to develop the safety bow tie risk assessment framework, giving us a clear understanding of the safety risks associated with our planned renewals volumes. This work will continue in CP7 as we evolve our plan for changing circumstances as well as planning for CP8. The framework will be used to manage the region’s risk process. Bespoke risk workshops will be undertaken for emerging risks. Through robust risk assessments we will ensure that lessons learnt and good practice examples are effectively shared and more widely adopted.

Table 2. Safety outcomes metrics forecasts.

	Safety Forecasts					
	23/24*	24/25	25/26	26/27	27/28	28/29
Fatalities and Weighted Injuries (FWI)	0.091	0.070	0.064	0.059	0.055	0.050
Train Accident Risk Reduction (TARR)**	87%	95%	95%	95%	95%	95%
Personal Accountability for Safety (PAFS)	253	228	205	184	166	149



*Please note that CP6 exit positions are based on a forecast as of February 2024. This is true of the CP6 exit positions in all outcomes metrics tables throughout this document.

**TARR is a leading indicator that measures the activities we are delivering to reduce train accident risk (as measured by the Precursor Indicator Model). Internally, we are introducing a new approach to measuring our inputs to reducing train accident risk reduction through Passenger Safety Milestones. If effective, we intend to introduce this in our year 2 delivery plan.



Train Service Delivery

Throughout CP7 we will remain relentlessly focused on optimising train service and freight performance. We are committed to improving performance and delivering a punctual and reliable railway for our passengers and freight users.



Passenger

Our core objective is to deliver the highest levels of train performance possible for passengers and we will do this through:

- Improving planning of the train service and maintenance access to minimise disruption.
- Minimising asset service affecting failures (SAFs).
- Preventing delays and minimise the impact of disruption.

We have worked collaboratively with our lead operators to identify performance risks and opportunities, develop robust forecasts and set targets that are challenging but achievable. In CP6, higher levels of cancellations due to industrial relations and fleet issues have resulted in a less-congested railway. As we work together with our industry partners to reduce cancellations, our network will become more congested. Coupled with the anticipated increase in demand, this will put downward pressure on our On Time performance in the first two years of CP7. We will work hard to tackle this and give passengers the highest levels of train performance possible by prioritising expenditure accordingly through our Value of Service approach (see Asset Management section, page 27). We will also work closely with operators to support delivery of their core metrics and improve how we report, analyse and develop improvement plans around these. We will support development of the Regional, Route and Joint Operator Performance Strategies, ensuring alignment with the following focus areas:

- Improving the base timetable plan and mitigating timetable change risks.
- Asset reliability and impact on performance metrics.
- Impact of climate change and developing our weather resilience plans.
- Risk, impact and opportunity of delivering enhancements.
- Reducing the number and impact of external incidents (trespass, vandalism and suicide).
- Management of disruptive incidents and service recovery.



Freight



Our region plays a vital role in achieving the national rail freight growth target of 7.5 % in CP7 and 75 % by 2050. The WCML is one of the busiest freight routes in Europe and we serve the golden logistics triangle of warehousing facilities in the Midlands.

We will work with freight operators and our end-customers to increase growth. This will be done through the opening of new terminals, better availability of the infrastructure, better use of capacity and working more closely with our customers to make the movement of freight more attractive by rail.

North West & Central CP7 Delivery Plan

Our core objective is to deliver the highest levels of train performance possible for customers, ensuring reliable movement of goods. We will do this through:

- Minimising disruption through improved planning.
- Minimising asset service affecting failures (SAFs).
- Preventing delays and minimise the impact of disruption.

We have developed a Regional Freight Strategy in partnership with System Operator, with a focus on the following priority areas alongside those mentioned in the passenger section:

- Freight growth (growth forecast, our ability to accommodate and key drivers/markets).
- Key freight routes (asset management for critical assets, operations to support freight).
- Heavy Axle Weight (region structures plan/freight flows, HAW fund provision).

Throughout CP7, several terminals are expected to be connected to the network, delivering growth. For Intermodal, Four Ashes, Northampton Gateway (opens late 2024) and DIRFT III (fully open by Summer 2024) will be new terminals. For the construction sector, we anticipate Horton-in-Ribblesdale (expected to be open 2025), Agecroft, Fiddlers Ferry and Bedworth to be reinstated, which will all see new aggregate traffic. In addition, we will invest £24.5m in schemes that provide support for heavy axle weights.

Achievement of the asset sustainability and reliability metric targets in the table below will be critical to delivering our passenger and freight performance targets. Further information on how we will achieve these can be found in the Asset Management section (page 27).

Table 3. Train Service Delivery outcomes metrics forecasts.

	Train Service Delivery						23/24*	24/25	25/26	26/27	27/28	28/29
	Targets/ Forecasts*											
Passenger On Time**	63.1 %	62.9 %	62.9 %	61.5 % to 64.6 %	61.6 % to 64.7 %	61.7 % to 64.9 %						
Passenger Cancellations**	3.9 %	3.7 %	3.5 %	3.0 % to 4.5 %	3.0 % to 4.5 %	3.0 % to 4.5 %						
Freight Cancellations	1.3 %	1.0 %	1.0 %	1.0 %	1.0 %	1.0 %						
Freight Growth (net tonne kilometres)	-	1.7 %	3.4 %	5.1 %	6.8 %	8.6 %						
Composite Sustainability Index (CSI) (CP7 change % pts)	-	-	-	-	-	-3.2 %						
Composite Reliability Index (CRI)*	2.6 %	-2.2 %	-3.4 %	-3.9 %	-4.5 %	-4.9 %						
Service Affecting Failures (SAFs)*	5441	5523	5572	5607	5624	5631						

Recognising the significant uncertainty in forecasting and target-setting for train performance, the Office of Road and Rail’s (ORR) final determination sets firm passenger train performance targets for the first two years of CP7 and indicative trajectories for years 3-5. There will be a regulatory review to reset passenger train performance metrics, regulatory targets and industry delay compensation parameters for years 3-5 of CP7.



Customers & Communities

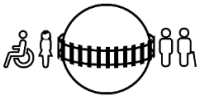
Our railway exists to connect communities and support economic growth now and in the future, and we are optimistic and ambitious about both the future of rail in our region and the contribution we will make to the social and economic betterment of the UK. Through our ongoing stakeholder engagement activity (see page 24), we have developed a strong understanding of our regional stakeholder priorities and their alignment to the national strategic objectives. In CP7 we will further embed our customer-led philosophy.



Our customer service framework

Our customer services framework starts with our people – ensuring our people have the right skills to deliver great customer service. Our CP7 plans include:

- Investment in training for our front-line leaders.
- Adopting a one team approach at our managed stations.
- Refreshing our regional operating model, empowering our routes to achieve the best possible outcomes for their customers.



An accessible and inclusive railway

We aim to deliver inclusive and accessible services and facilities, improving the number of accessible end-to-end journey opportunities. Our plans include:

- Targeted accessibility improvements including lift and escalator renewals.
- Improved lighting and wayfinding at our managed stations.
- Completion of our tactile edging installation programme.
- A programme of toilet refurbishments including larger Changing Places accessible toilets.
- Accessibility and inclusivity training for our front-line colleagues.



Giving passengers better information

In CP7 we will drive a sustained step-change in the quality and consistency of passenger information, particularly during disruption. We will:

- Make targeted upgrades to customer information control systems, PA systems and CCTV at our managed stations.
- Implement Passenger Operations Control Centres (POCCs) at our stations to improve the clarity, accuracy and timeliness of information.
- Renew of the Whoosh QR code contract, enabling customers to quickly 'scan and go' with improved journey information.

Great stations



Throughout CP7 we intend to make our stations safe, secure and sustainable while reflecting local needs and opportunities, facilitating the development of thriving gateways to the region’s major urban centres. We plan to:

- Collaborate with operators to develop integrated station designs, driving efficiency and improving passenger experience.
- Enhance our station environments, to improve customer satisfaction and generate funding through our retail and marketing proposition.
- Review our managed station retail offering to improve customer experience and make the most of the opportunities each environment offers.
- Improve wayfinding through changes to graphics and station layout.
- Complete targeted renewals of lifts and escalators.
- Make energy efficiency a key factor in the detailed designs of our buildings, upgrade inefficient lighting and reduce reliance on natural gas as a heat source.
- Enable third party investment in the franchised estate through efficient property transactions and an open collaborative approach.
- Continue to make integrated transport planning a key element of our station development plans, with joined-up active travel and public transport planning to provide a seamless customer experience and contributing to progress against net zero targets.



Being a better neighbour

In CP7 we will maintain and improve relationships with those living and working next to the railway by being a good neighbour to them.

We will continue to notify local businesses and residents in advance of disruptive works via written correspondence, digital notification, door knocking and community events.

Table 4. Customers & Communities outcomes metric forecast.

	Customers and Communities					
	23/24*	24/25	25/26	26/27	27/28	28/29
Passenger Satisfaction (Wavelength)	7.77	7.80	7.80	7.60	7.70	7.81





Efficiency

Building on successful delivery of our CP6 efficiency targets, our CP7 plans commit us to becoming even more efficient, leading the industry to do things better together, getting more for every pound in the ground and supporting our people to be more productive. Through increased innovation, greater use of technological solutions and improved collaboration, we will make every pound of our settlement as productive as possible and spend in the interests of passengers and freight users. We aim to deliver over £770m of direct efficiencies in CP7 on a cash basis, equating to 10% operating expenditure and 15% capital expenditure. This will include closer collaboration with operators to make the best financial decisions for the industry in its entirety.

We have developed a list of initiatives which would reduce our capital expenditure costs by 15% and operating costs by 10% by the end of CP7.



Efficient Possession Planning

Project SPEAR (Strategic Planning Engineering Access Reform) will generate efficiencies via a range of initiatives including the following:

- We will use a market-led approach to optimise our workbanks and generate savings on cost and Schedule 4 (the compensation we pay for planned disruption).
- We will work with our industry partners to maximise productivity and deliver integrated possession planning. We have already set up a cross-industry steering group to agree new ways of taking access.
- Whole system analysis will be used to review current access windows and identify ways of optimising work delivery.



Capital Delivery Transformation Programme

- The second phase of the Capital Delivery transformation programme will deliver significant efficiencies. Entitled 'ONE system and cost stack reduction', this phase will deliver improved alignment of all parties, resulting in better access and productivity decisions and increased work bank stability, important drivers of efficiency.



Commercial and Procurement

- The third phase of the Capital Delivery transformation programme will build flexibility into the contracting strategy, with more suppliers and bespoke approaches. Supplier incentivisation will be linked to Network Rail time, cost and quality objectives.
- We are targeting a 3% cost reduction on national level contracts through negotiations led by the Route Services function.

Commercial Property & Workplace Management



NW&C Property will deliver significant efficiencies in CP7, primarily through office rationalisation and maintenance delivery unit transformation.

- Workplace planning includes rationalising our office environments to enable settings which respond to the post-COVID-19 ‘office-use’ trends, providing agile and collaborative spaces. Reducing lease burdens, consolidation of assets and making better use of our vacant or underused buildings will all deliver significant efficiency savings.
- Working with our rail partners, we are looking to collaborate on our combined needs in our aligned geographies to extend those efficiency savings and opportunities.
- Providing support on depot strategy is critical to unlocking efficiencies and ensuring the front-line workforce have the right facilities in the right locations to deliver engineering excellence. We will continue to provide full lifecycle estate management services to acquire, manage and dispose of leased project and route accommodation whilst providing facilities services to operational sites.



Industry Reform Standards

A review of industry standards is being carried out by Technical Authority on behalf of the regions. This will drive efficiency through a more pragmatic and progressive approach, simplifying standards that may currently be adding unnecessary cost to running the railway. As part of this, we will look to apply high street principles where applicable, enabling us to source suppliers from non-rail divisions for work on relevant buildings and introduce more competitive rates.

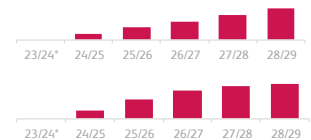


Intelligent Infrastructure and Research & Development (R&D)

Technology-driven solutions will be key to deliver efficiency in CP7. We will be working closely with colleagues from Route Services to develop and deploy new technologies from the Intelligent Infrastructure workstream, and with Technical Authority to use the research and development pipeline for initiatives which can be deployed on the region.

Table 5. Efficiencies outcomes metrics forecast (direct only, cash basis)

	Efficiency Targets					
	23/24*	24/25	25/26	26/27	27/28	28/29
Opex (£m)	-	19	37	55	75	93
Capex (£m)	-	30	77	114	132	142



We will continue to discover, develop and deliver new efficiency opportunities through CP7, to mitigate the risk of any unforeseen inefficiencies and ensure we deliver on our commitment to deliver value for money for passengers and taxpayers.

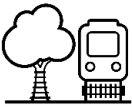


Sustainable Growth

Rail plays an important role in supporting decarbonisation targets. Our goal for CP7 is to improve our environmental stewardship and to optimise the social value of our activities. Our plan supports delivery of Network Rail's Sustainability Strategy and will deliver environmental benefits. Our region is responsible for 40 % of UK rail freight and with 8.6 % growth forecast in CP7, we will reduce the country's carbon footprint by moving from road to rail. We will further decarbonise our network, supporting our cities and the whole UK to deliver net zero emissions targets. As well as creating cleaner, greener spaces for our communities, delivering our plan will save money by reducing energy costs in the short term and the whole life cost of assets in the long term.

More on our weather resilience and climate change adaptation (WRCCA) plans can be found in the asset management section of this document.

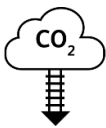
Our delivery plan outlines how we will improve our environmental stewardship and contribute to the national strategic ambitions for environmental sustainability:



- Achieve net zero carbon emissions by 2050 and deliver continual improvements to air quality.
- Prepare the railway to minimise the impacts of climate change by 2050.
- Achieve biodiversity net gain by 2035.
- Reuse, recycle or redeploy all our non-hazardous infrastructure materials by 2029 and embed Circular Economy thinking into the rail industry by 2035.
- Promote and develop the social value of our railway.

Environmental and social outcomes will be integrated into the delivery of our operations, maintenance and renewals plans.

Carbon Emissions reduction



The main areas to be delivered that will contribute to reductions in our Scope 1 & 2 emissions (direct emissions and those indirectly generated by purchased energy) are:

- Road fleet electrification (64 %).
- Energy efficiency from top 30 % consuming sites (16 %).
- Phasing out gas oil & LPG (13 %).
- SF₆ (electrical insulation) management (5 %).
- Energy efficiency from remainder of portfolio (2 %).

Our current carbon reduction estimates are based on a full transition to a zero-emission vehicle fleet which we are continuing to develop plans for to ensure a cost-effective roll-out. We will monitor this balance closely and increase our carbon saving from other parts of the non-traction energy portfolio if required. Energy efficiency improvements are currently based on a high-level estimate and will continue to evolve with detailed designs in the building renewals programme. The carbon emissions reductions will be influenced by the National procurement of power purchase agreements of renewable energy.

We will work collaboratively with industry partners to improve air quality at our managed stations, and have set an interim target of 5% improvement by the end of CP7, subject to the results of the ongoing monitoring programme in year 1.

We will be taking a more circular economy approach to the way that we manage our resources and this will also help us to reduce our whole life carbon.



Biodiversity

Our Biodiversity Net Gain will be delivered via a combination of renewals works that design in biodiversity gain; and habitat management plans in our management of lineside vegetation. These targets are therefore reliant on the effective delivery of asset renewals volumes and maintenance volumes. We will also be investing in building more ecological expertise capacity and capability within our teams.

Following review of our plans, we have updated the phasing of our forecasts and will work with ORR on appropriate change control to inform monitoring against regulatory baselines.



Deliver social value in our local communities

Social value is intrinsic to our work at Network Rail. We will work with partners to improve our articulation and quantification of the positive impact we can make to our railway communities, supporting growth and development around station plans. We will:

- Work with our train operating companies and organisations such as Community Rail Trust to unlock opportunities to improve the social impact we can make with our local communities, supporting local small to medium sized enterprises (SMEs).
- Enable engagement with our local communities around our managed stations to foster meaningful interface across our estate – from enlivening our station environments with local displays to engaging local communities to help shape our plans for the future.
- Use the Rail Safety and Standards Board (RSSB) Social Value Tool to inform how we can maximise social value across our major rail programmes.
- Run Science, Technology, Engineering & Maths (STEM) events and apprentice schemes for young people, encouraging education and supporting our future workforce needs.

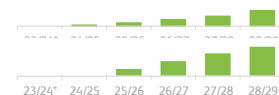


Support our region’s leisure and tourism market

The diverse geography of our region supports a bustling leisure market, providing a growth opportunity as rail becomes less reliant on commuter traffic. We will work with stakeholders such as the Railway Heritage Trust to understand how to best grasp this opportunity, unlocking economic potential around key leisure locations in both urban and rural locations. We will pilot interventions which make the most of underused and undervalued rail assets to give them new purpose and generate new revenue.

Table 6: Sustainable Growth outcomes metrics targets

	Sustainable Growth Targets					
	23/24*	24/25	25/26	26/27	27/28	28/29
Carbon Emissions - Scope 1 & 2 Reduction (CP7 change % pts)	-	2%	5%	9%	14%	21%
Biodiversity Units Net Gain (CP7 change % pts)	-	0%	1%	2%	3%	4%





People

Our people are our most important asset. In CP7 we will continue to invest in our people, developing a workforce of the right size with the right skill set to succeed now and in the future.

Our strategic objectives



- **Line Manager Development (LMD)** – an embedded and sustainable leadership development programme for all frontline managers, that equips them with the appropriate knowledge, skills and behaviours to be effective leaders.



- **Regional Leadership Group Development (RLG)** - a sustainable development programme to equip senior leaders with the appropriate knowledge, skills and behaviours to deliver effective leadership and achieve NW&C’s business results, equipping our routes to deliver against enhanced accountabilities.



- **Strategic Workforce Planning (SWP)** - to create a robust strategic workforce plan, enabling NW&C to effectively plan people resource for future control periods.



- **Build a one team ethos** by engaging our employees in the work they do and empowering them to bring their whole self to work if they desire.

We will know we are successful when we have:

- The right people, in the right roles, doing the right work.
- Consistent leadership behaviour that brings our values to life every day.
- A talent and skills plan that keeps pace with technology and our future workforce needs.
- Our people telling us ‘it’s easier to get their job done’ and ‘it’s a level playing field here’.

NW&C operating model review

Going live at the start of CP7, our improved operating model will build on and strengthen our existing structure, creating three fully devolved and empowered routes with enhanced accountability, along with reformed regional functions to better support the routes to deliver more effectively upon their ambitions for passengers and freight users.

How will we measure success?

Table 7: People outcomes metric forecast.

	Forecasts					
	23/24*	24/25	25/26	26/27	27/28	28/29
Employee Engagement	50%	51%	52%	53%	53%	53%



In addition to our employee engagement targets, we will track progress by monitoring:



- Improvements in our headcount, succession pipeline, vacancy gap, sickness absence, employee relations, diversity and inclusion, and training.
- External accreditation and benchmarking.
- Reduction in the number of employee relations cases.
- All line managers completing the LMD programme by the end of CP7.

How we have developed our plans

Introduction

With a challenging and uncertain economic and political context alongside ageing assets and the impacts of climate change, our funding for CP7 needs to go further than previous control periods. Reflecting this, we have needed to make tough decisions and trade-offs to optimise our funding and deliver for customers and the communities we serve, for both the next five years and the longer-term. We will need to remain agile to respond to the challenges and opportunities ahead of us which require flexibility in the way we are regulated.

Our iterative planning approach

The culmination of two years of planning activity, we have iterated our CP7 plans to move from top-down scenario-based plans to detailed bottom-up plans. This is reflecting the funding available from Government and our latest view on key assumptions such as future passenger and freight demand and inflation forecasts. Our plan is region-owned and developed within a national framework that sets the overall strategy and provides coordination and assurance across the business.

We have embedded learning from the challenges experienced in CP6. We have engaged our stakeholders and delivery partners to understand their priorities and used these priorities to develop our regional strategic framework at the core of our plan. We have taken a market-led and whole-industry approach to developing our plan, prioritising investment according to what markets value most, and accessing whole-industry levers to deliver this in the most effective and efficient way. Our 'value of service' approach is at the core of our market-led planning and is explained in our asset management section.

We have developed our plans at a time of significant uncertainty for the industry and the wider economy. Our plans reflect our best and latest view of the activity we will undertake in CP7, but they will inevitably evolve as we respond to risks and uncertainties over the control period.

Recognising this uncertainty, our plans still contain a small element of overlay, reflecting the opportunities yet to be realised through CP7. We have identified opportunities to close out this overlay during the control period, drawing from some of the ideas identified by ORR in its final determination and we will continue to monitor delivery against our plans as the control period progresses.

Stakeholder engagement

Our passengers, customers and the communities we serve are at the heart of everything we do, and their engagement has been paramount in informing our strategic priorities for CP7 and beyond. We realise that not all stakeholder priorities can be met, but in CP7 we will lay the foundations for subsequent periods to ensure we can deliver a dynamic, fit for purpose railway.

We deeply value our relationships with our huge range of stakeholders. Aligning to the principles of Network Rail's Stakeholder Relations Code of Practice, our stakeholder mapping process has enabled us to take a proportionate approach to stakeholder engagement.

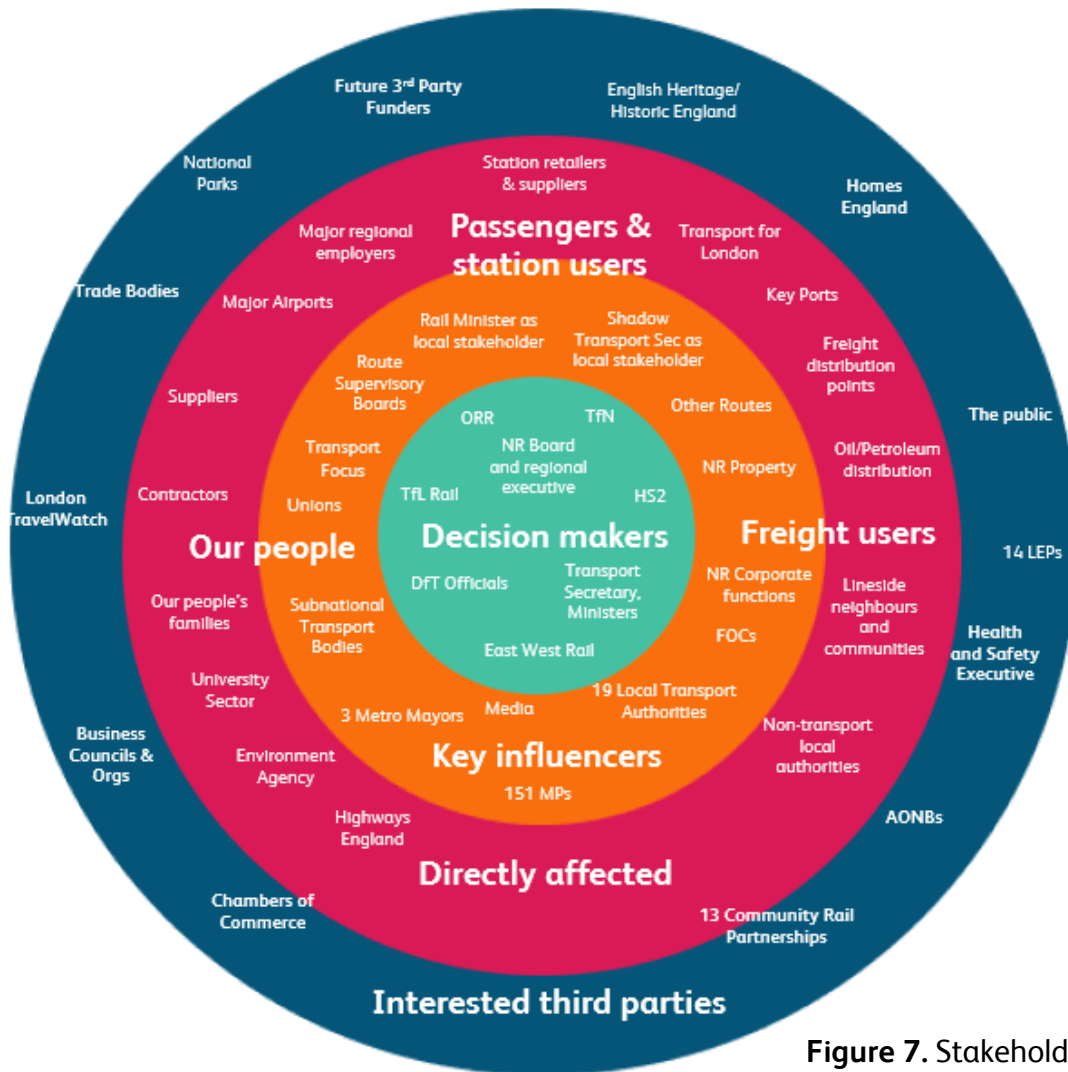


Figure 7. Stakeholder mapping

Following the success of the first two phases of our engagement plan, culminating in the publication of our Strategic Business Plan, our third and final phase has focused on:

- Developing aligned business plans with common performance goals
- Obtaining stakeholder advocacy for our CP7 plans
- Understanding the implications for our supply chain

Roundtable meetings and bilateral discussions have covered all aspects of our plan. We have engaged train and freight operating companies and DfT to ensure we are aligned on year 1 targets in operators’ annual business plans and that we capture all performance risks and opportunities in our forecasts. Our routes continue to work in close partnership with their lead train operators, such as Avanti West Coast (AWC) in our WCS route. Proposed renewal plans for station assets have been discussed with AWC’s Head of Property and regular updates on our workbank iterations are provided to AWC, ensuring that a whole industry approach is taken every step of the way. We have engaged TOCs in our access reform planning as we seek to optimise interventions, carrying them out in an efficient manner and minimising disruption to our stakeholders.

Through our multi-lateral engagement and challenge panels, we have developed joint performance strategies and an aligned, optimised delivery plan.

Our stakeholders' priorities are our priorities, and the table below shows how we have addressed them in our plans.

Table 8. How our plan addresses stakeholder priorities.

Stakeholder priority	How our plan addresses the priority
<p>Reliability:</p> <p>The most important priority for passengers and freight users is a reliable and punctual service</p>	<ul style="list-style-type: none"> • Key initiatives targeted to minimise deterioration in asset performance and service delivery, including renewals of life expired overhead line equipment, track layouts, signalling, earthworks, drainages, our buildings and bridges • Localised traffic and incident management systems deployed to better respond to operational issues • Targeted schemes to reduce trespass and vandalism including upgrading fencing at known hot spots
<p>Stations</p> <ul style="list-style-type: none"> • Stakeholders expect a step change in passenger information at stations and during delay • Stakeholders expect good customer experience, clean, accessible stations • Better use of stations: Stakeholders expect us to seize opportunities to increase use of our stations for community and commercial value • Safety: Stakeholders told us that safety and security at stations is important to them 	<ul style="list-style-type: none"> • Targeted upgrades to customer information control systems, PA systems and CCTV at our managed stations and fully integrated control centres and Passenger Operations Control Centres (POCC) • Targeted accessibility improvements through renewal of lifts and escalators, alongside improved lighting and wayfinding • Unlock revenue opportunities through advertising, retail at stations and maximising tourism and heritage potential alongside community development collaborations • Investment in safety and security at managed stations
<p>Network capability: Our freight customers want us to maintain or improve capability to support growth</p>	<ul style="list-style-type: none"> • Our plans support freight growth forecasts of 8.6 % in our region over CP7. We are investing to improve Heavy Axle Weight capability in the highest priority areas.
<p>Access: Stakeholders want us to consider their needs when taking possessions to carry out works</p>	<ul style="list-style-type: none"> • We will build access plans around stakeholder requirements – tailoring approaches based on type of route and its usage and optimising access through longer blockades to reduce costs
<p>Whole industry opportunities: Our Delivery Partners support the opportunities identified to consolidate facilities and teams across the industry</p>	<ul style="list-style-type: none"> • Whole industry schemes including rationalising office spaces, integrating control centres, and implementing a one team culture across the industry.
<p>Technology: Stakeholders want us to make greater use of technology to deliver works more effectively and efficiently</p>	<ul style="list-style-type: none"> • Greater use of technologies including installing train-borne data capture equipment, further deployment of risk-based maintenance, and use of advanced imaging technology to reduce costs of inspection and clearance of vegetation.
<p>Weather resilience: Stakeholders and our passengers want us to focus on improving resilience to severe weather incidents</p>	<ul style="list-style-type: none"> • Prioritised weather resilience schemes to improve flood resilience, drainage at known high risk sites, including increased extreme weather response resource, and targeted vegetation management
<p>Decarbonisation</p> <ul style="list-style-type: none"> • Our Delivery Partners want us to develop whole industry approaches across track and train • Government wants us to support freight growth ambitions, taking lorries off our roads to support net zero, and to transition our fleet 	<ul style="list-style-type: none"> • Begin transition of our road fleet to zero emissions vehicles with installation of associated electric charging infrastructure • Improved energy performance of offices and stations through introduction of low-consumption fittings • Ambitious freight growth targets, if supported by traction power enhancements, funded outside of this plan
<ul style="list-style-type: none"> • Social value: Stakeholders told us they want us to work closely with communities to leverage opportunities to deliver more. 	<ul style="list-style-type: none"> • We will use the RSSB Social Value Tool to help us identify where we can best invest to maximise social value • We will work closely with our local communities and Community Rail to identify opportunities to provide additional value to the societies we seek to serve • Ongoing apprenticeship, local community and STEM events for children
<p>Level crossings: Stakeholders are keen we take a broader view of level crossing risk, working with local authorities.</p>	<ul style="list-style-type: none"> • Risk-based approach to closure of level crossings and funding allocated to reduce level crossing risk at passive crossings

We will continue to engage with all our stakeholders as we move forward into CP7.

CP7 asset management

The role of asset management

The efficient implementation of our asset management plans will be a major determining factor of how the infrastructure performs in CP7 and how it will sustain performance in the future. Our asset management decision making is therefore critical to delivering a successful outcome in CP7 and our plans reflect the importance of these decisions. They are ready for implementation as we move into CP7, and will be further refined to maximise value and to respond to risks as they emerge.

The asset management challenge in CP7

The context for the development of our plans for CP7 is provided by the level of funding available and our commitment to delivering levels of service required by our passengers and freight customers. The headline expenditure and outcomes that result directly from asset management decisions include the following:

- The level of funding available for renewals and maintenance in CP7 is £4.1bn and £2.3bn.
- The consequence of our CP7 funding prioritisations is that the effective age of the infrastructure will increase in CP7, resulting in a reduction in the sustainability of our infrastructure as measure by the Composite Sustainability Index decrease of 3.2%.
- Improved resilience to the impact of climate change and severe weather.
- Freight traffic will grow by 8.6% by the end of the control requiring investment in infrastructure capability to accommodate heavier axle loads.

The main challenge we face in CP7 is how to maintain safety, improve train performance and grow freight traffic, while renewing assets at a lower rate than historical norms for a second consecutive control period. This will place additional demands on maintenance to manage the risk from the increased number of assets operating beyond their recommended service lives. Our safety bow tie framework provides a structured approach to managing this risk.

Response to the challenge

Devolution creates the opportunity to align our plans more closely with the needs of passengers and freight customers, and the communities served by the railway. An outline is provided below of some of the key initiatives we have undertaken in the development of our asset plans to maximise the benefits of devolution while maintaining the cooperation needed for consistency and optimisation across the whole rail network.

Line of route plans based on value of service

The centrepiece of our asset management strategy, and a key component of NW&C's market led approach, is the change we've made that involves placing Strategic Route Sections (SRS) at the centre of decision making. SRSs are sections of railway divided on the basis of usage and engineering characteristics and provide a natural focus for linking decisions on interventions

and operations to the levels of service that are experienced by passengers and freight customers. This enables us to set target value outcomes for each strategic route section according to local and system-wide needs and to develop risk-based maintenance, renewal and operational plans to deliver these outcomes. Our three routes have compiled the first generation of line of route-based plans to be implemented from the start of CP7 and these will be further developed and refined in response to changing circumstances during the control period.

Integration of maintenance and renewals

In common with other infrastructure management organisations, we seek to optimise total expenditure by integrating decisions on maintenance and renewals. Historically, maintenance and renewals plans have been developed independently. Our preparations for CP7 have led to significant improvements in the quality and robustness of the individual plans and work has been undertaken to strengthen the alignment between them, for example to understand how lower renewal volumes will increase the need for more reactive maintenance. Building on this work, we are implementing an initiative under the heading of ‘totex optimisation’ which includes the systematic integration of maintenance and renewals and will enable a much better understanding of the optimum trade-offs between them. These improvements have been reflected in the updates to our asset strategies which support this delivery plan.

Managing train accident risk caused by infrastructure failures

The economic pressures which have limited renewals expenditure in CP6 and will continue in CP7 will result in an increase in life-expired assets and potentially an increase in infrastructure failures. We are managing this risk by undertaking risk assessments for each SRS. This includes the work we have undertaken on safety bow-ties, so that we can introduce proportionate mitigations into our maintenance and renewals plans. We have been supported by RSSB who have developed a methodology for allocating the results of the national Safety Risk Model to individual SRSs. We will use this information to demonstrate that train accident risk is as low as reasonably practicable and that no parts of the NW&C network will experience an increase in train accident risk in CP7.

Supporting improvements in train performance

Accommodating the predicted growth in freight services and meeting commitments to improve passenger and freight train performance require an infrastructure that is both reliable and maintainable. Our asset plans based on value of service will ensure that work is prioritised on parts of the network which have high passenger and freight train densities, serve large numbers of passengers and generate the highest revenues. Technology will play a key role in delivering these improvements, through the continued development and implementation of initiatives such as Risk Based Maintenance and Remote Condition Monitoring. Technology will also support productivity and safety improvements through initiatives such as the introduction of faster isolations and our initiative to reduce “boots on ballast”.

Enabling efficient delivery

In CP7, renewal volumes will be lower than has been delivered in past control periods and the maintenance activity levels will be similar to those in CP6. The delivery challenge should therefore be manageable. Our commitment to deploying the High Output Ballast Cleaner (HOBC) is one of the ways we will be ensuring the delivery of track renewals. We have improved

the planning of renewals by strengthening the process for remitting work. Our Modernising Maintenance programme is about organising ourselves in a way that enable our talented people to do their best work, safely, at the right time and in the right place, supported by the best technology. Its implementation will improve the delivery of planned and reactive maintenance activities.

Improvements in the productivity of possessions are necessary to achieve our efficiency targets. Asset management will provide key input to Project SPEAR (see Efficiency section) which aims to find the optimum balance between engineering access and operational access.

Managing the increasing impact of severe weather and climate change

The railway faces multiple challenges from a changing climate, which are predicted to get worse and harder to manage. Therefore, it is a priority for us to deliver our WRCCA plan in response to these challenges. We will renew priority assets, with scour protection and drainage yielding marginal primary resilience benefits. For those assets that we know are at risk to the changing climate but are outside of a renewals programme, we will continue to increase the use of technology to enable better risk forecasting and management. Digital lineside inspection, which scans vegetation in the lineside environment, extreme weather management tools such as PRIMA (Proportionate Risk response to Implementing Mitigating speeds to Assets) and slope monitoring equipment are examples of vital environmental surveillance technology that we will invest in. We will use these technologies and invest in developing the competence of our people to monitor our infrastructure and respond effectively to minimise the risk of climate hazards becoming incidents in CP7.

Summary of CP7 expenditures and outcomes

The tables below summarise the renewals and maintenance expenditure profiles in CP7 and provide forecasts of the key measures for asset sustainability and reliability.

Table 9: Renewals and maintenance activity and expenditure (£m, post-efficient cash prices, linear volumes)

Asset	CP7 priorities	Renewals Volume	Renewals Expenditure
Track	Critical track renewals at Manchester Piccadilly and Hanslope Junction to improve asset reliability and performance. We will utilise the High Output track renewals system to maximise delivery in limited access windows.	715km plain line 545 S&C units	£965m
Off Track	Renewals of fencing, level crossing decks and vegetation management to ensure risks and hazards are reduced in our lineside environment.	244km	£54m
Signalling	Renewing Signalling systems on the West Coast Mainline North to introduce the latest signalling technology - European Train Control System. Continued focus on life extension of conventional and mechanical signal boxes including lineside equipment.	2,173 SEUs	£1,135m
Level Crossings	Prioritising safety through level crossing closures at Marston and Kempston. Renewals at level crossings across the Region will maintain reliability and safe operation.	53 volumes	£106m
Structures	Renewals in CP7 will manage high risk asset types based on capability, condition and risk to the network. With a particular focus on post tension bridges and retaining walls.	91,219m ²	£533m
Earthworks	Earthworks schemes will focus on sites at the highest risk from adverse weather events, including Ashton Heath and Worlestone Embankment.	8,116 volumes	£314m
Drainage	Recognising the increased risk from severe weather, our Drainage Renewals target the areas at highest risk of flooding. Innovation in surveying our drainage assets continues to give us the latest data for quick, responsive decision making.	122,101 m	£164m
Buildings	Passenger and public accessibility work on escalators and footbridges across the Region. Concourse roof improvements at Marylebone Station. Safety is the focus of improvements in fire suppression systems at Euston.	252,268 m ²	£409m
Electrification & Fixed Plant	Renewal of overhead line equipment on the West Coast Mainline North and Birmingham New Street area will improve the asset condition, resilience and reduce the risk of dewirement.	1,678 volumes	£372m
Telecoms	Information and Security Systems renewals at key stations. Renewals of operational assets including significant activity on transmission systems on West Coast South.	7,296 volumes	£60m
Other Renewals	Schemes including targeted level crossing safety improvements, the transition towards a zero-emissions road fleet, commercial property and workplace management.	n/a	£187m
Maintenance	Timely and thorough maintenance regimes to ensure a safe and reliable railway.	n/a	£2,346m

Table 10: CSI, CRI and SAFs forecasts. Note that CSI and CRI are reset to zero at the start of CP7.

Measure	CP6		CP7			
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Composite Sustainability Index (CSI)	-	-	-	-	-	-3.2%
Composite Reliability Index (CRI)	2.6%	-2.2%	-3.4%	-3.9%	-4.5%	-4.9%
Service Affecting Failures (SAF)	5,441	5,523	5,572	5,607	5,624	5,631

Adjustments to reflect the reduced volume of renewals as part of HS2 enablement will need to be netted out of CSI targets. We will calculate the impact and follow required change mechanisms with ORR as appropriate.

CP7 operations and support

In CP6, we have invested in our operational delivery teams (from signallers, operation managers to controllers) to improve train service delivery, through our people, technology and process. Improvements to date include management of fatigue through reduced reliance on overtime and rest day working. Investment has been made in weather stations and drones to better inform our decisions and actions and keep passengers moving safely.

Our improved, reoriented operating model will empower our teams to better support the routes so that we can deliver more for passengers and freight users.

Operations

In CP7 our operational delivery teams will continue to sustain and deliver the benefit from the successes of CP6 through our people, technology and processes. We will continue to invest in our people by focusing on having competent staff to manage the challenges the impact the weather has on the railway to ensure passengers are kept moving safely. We are excited to trial new technology such as the “Wind Model” a web-based tool for supporting decision making in the event of gale force winds. Operations recruitment will be managed and delivered in such a way as to appropriately address our vacancy gap and manage fatigue. A £10m provision has been made for capital expenditure on additional decision support technology, continuing on from the first phase of our Traffic Management Programme initiated in CP6. An additional £2.8m is allocated for an Operations improvements fund. In CP7 we will continue to review how our systems and processes are aligned and set up to ensure passengers and freight are put first.

Support

Our support teams include Finance, Human Resources, Engineering, Passenger Directorate and Property. They provide expertise and guidance to our routes, enabling them to succeed.

Our CP7 plans support delivery of key strategic and compliance-related initiatives including:

- Environmental and Sustainable Development (E&SD) and Weather Resilience and Climate Change Adaption (WRCCA), where resources would be sought to improve environmental management, manage biodiversity improvements and legislative

compliance, support weather resilience activities, and to deliver the Climate Adaptation pathways works.

- Lead the transition of our road fleet to zero emission vehicles.
- Crime and security expenditure to prevent and/or raise awareness of trespass and suicide on the railway via, dedicated disruption teams, enhanced security at stations, delivery of line of route and passenger operations control centre surveys, and awareness campaigns.
- Additional resource to support structures examinations compliance by the end of 2024/25, as per the Civils Examinations Framework Agreement (CEFA).

CP7 income

Table 11. CP7 income

£m in cash prices	CP6		CP7 Baseline				CP7 Total Income
	Exit 2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
Charging Income *	430	424	440	477	471	523	2,335
Other Income **	224	219	220	228	233	241	1,141
Network grant	1,506	1,448	1,478	1,445	1,459	1,396	7,226
Net Schedule 4 & 8 costs	-84	-31	-6	-6	-6	-6	-54
Allocated Income	-83	-3	16	16	17	17	63
Electricity for Traction (EC4T)	251	200	184	199	200	201	984
Total Income (excl. EC4T)	1,993	2,058	2,149	2,161	2,174	2,170	10,711

* Charging income includes Train and Freight Operator Fixed Track Access, Variable Track Access and Electricity Access Usage Charge etc.

** Other income includes commercial income, property sales and rental income etc.

Our income is made up of charges that train operators (passenger and freight) pay for access to the rail network and income from our property assets, such as rental income at our managed stations. We also receive around two thirds of our income in grants from government, in place of access charges, which are agreed through the periodic review process.

CP7 access payment rates have now been agreed and combined with our latest CP7 traffic forecast which includes any major enhancement commissioning such as East West Rail. We are forecasting an increase in income in CP7 vs CP6 (CP6 was drastically reducing due to COVID-19 impacting our passenger variable income).

Property income

Our CP7 forecast is based on NW&C exiting CP6 in a strong position with a passenger demand returning to 90 % of pre-COVID-19 levels across Manchester, Birmingham and London, and even surpassing pre-COVID-19 levels at Liverpool Lime Street. We have forecast our station retail income will grow in line with passenger usage, with an expected increase to 95 % of pre-pandemic levels by the end of CP7.

Additionally, with a change in the way people work, travel, and use our stations we have refreshed our station strategies to complement a shift in business and leisure travel which is reflected in the retail offer across our managed stations.

Our CP7 property income is forecast to be approximately one third higher than CP6.

CP7 financial summary

Table 12. CP7 financial summary

£m in cash prices	CP6	CP7 Baseline					CP7 Total Expenditure
	Exit 2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	
Support and Operations	235	233	250	244	239	237	1,202
Maintenance	525	548	554	564	576	585	2,827
Industry costs and rates (excl. BT Police) *	79	86	88	100	102	104	481
Renewals	860	808	829	804	789	758	3,988
Risk Funding	0	0	31	46	63	80	220
Allocated Expenditure	295	383	398	403	404	405	1,993
Electricity for traction (EC4T)	250	200	184	199	200	201	984
Total Expenditure (excl. EC4T)	1,993	2,058	2,149	2,161	2,174	2,170	10,711

* Industry costs and rates include Cumulo Rates, ORR subscription, Rail Delivery Group subsidy, etc.

As part of finalising this delivery plan, as agreed with ORR, there has been a reclassification of some expenditure between operations, maintenance and support which means that these categories cannot directly be compared to our Draft Determination response or our CP7 Strategic Business Plan.

Risks and opportunities

Risks

Unexpected safety issues could arise in CP7. Our safety bow-tie assessment framework and use of operational restrictions will support management of this risk.

The scale of the enhancements portfolio in NW&C in CP7 (>£6bn) must be managed alongside delivery of passenger and freight outcomes. This risk will be managed through changes to our operating model to clarify accountabilities, robust governance and reporting, and closer working with passenger train and freight operating companies.

Train performance was below target in CP6, in part due to decline in asset resilience, ongoing industry challenges, and poor service recovery. In addition, abnormal levels of cancellation resulted in an artificially less congested railway, which, when resolved, will put additional pressure on on-time performance. We will manage asset resilience through prioritising expenditure on higher criticality lines of route, optimised maintenance and renewals, improved service recovery, use of technology (support from Route Services and Technical Authority). We will continue to work collaboratively with operators and to hold all parties to account.

Traction power capacity and capability: freight growth, performance / schedule 8, and decarbonisation outcomes are dependent on increased power supply capability. RNEP funding is assigned for Bushey / Penwortham and work is ongoing to support delivery by May 2025.

Increased risk of severe weather: we seek to manage this risk through targeted interventions, robust incident response, and increased use of technology for proactive approaches to management of infrastructure.

Funding of emergency renewals: there may be a need for emerging renewals to address earthworks failures that impact directly on performance and network availability.

Opportunities

Market-led: we will investigate and pursue further opportunities to challenge the scope, specification, delivery method, access or standards to deliver further efficiencies. Alignment with our supply chain, Route Services and operators is critical to success.

Unit rates: we will grasp any available opportunities for greater cross regional ownership of Rail Investment Centre of Excellence benchmarks and unit rates. This will require leads for each measure to own cross regional plans to improve performance in line with SPEED principles.

Access Optimisation: we are working with industry partners and utilising Project SPEAR to maximise access opportunities and conduct work at the right time in the most efficient way. We need to work closely with Eastern, and nationally on critical resource and blockade strategy.

Modernising Maintenance: we will maximise full benefits and productivity improvements by end 2024/25, working with other regions to share best practice and making use of benchmarking support from Group Finance.

Data and Analytics: we will look to embed smarter tools & models to support improved timetabling analysis and improved quantification of project benefits.

Governance and assurance

Our approach to assuring our CP7 plan is robust and aligns to Network Rail's three lines of defence model:

First Line Assurance Activities are those conducted within a Business Unit to confirm activities are being undertaken as planned. For our CP7 planning process, this has involved our three routes developing and reviewing their plans in conjunction with their Capital Delivery Partners. We have carried out robust assurance on our plans to ensure they are deliverable. For renewals, we completed 1st line assurance in our region, reviewing each asset plan against a consistent set of criteria including (but not limited to): workbank stability, key resource availability including in our supply chain, access requirements, key risks and delivery assumptions, budget and cost confidence.

Second Line Assurance Activities are those which confirm to the control owner that controls are properly deployed and operating as expected. For CP7 planning, this includes regional and functional reviews of plans to assess risks, determine robustness, examine alignment of planning assumptions, and identify opportunities. These reviews have included:

- Regional engineering and functional assurance of plans against asset strategies and policies, with outcomes informing further development of plans.
- Deliverability reviews at a regional and national level, including through peer review.
- Executive reviews of route plans to inform optimisation of funds available in relation to the outcomes forecast.
- Group assurance activities across all major areas of our plan to identify recommendations to address gaps and develop the robustness of our plans.

The overall CP7 plan is deemed deliverable based on comparison with CP6 delivery, 2nd line assurance has involved peer review of our 1st line outcomes by other regions and central functions to ensure that we have applied the same principles to our plans and that they stand up to scrutiny of an independent review. We are also confident in our maintenance deliverability. Volumes in maintenance Activity Based Plans have been reviewed in parallel with planned renewals activity (including consideration of any deferred renewals) to assess the appropriate approaches. We have completed an assessment developed by Technical Authority to assess the alignment of maintenance and renewals plans and have addressed gaps identified.







Third Line Assurance Activities are those which provide the greater degree of independence of the effectiveness of our governance, risk management and internal controls. For example, this has included an Independent Reporter review of our renewals programme costing and tested our maturity in making reasonable and repeatable assumptions. Internal Audit completed 3rd line assurance review our CP7 readiness and we have acted upon key recommendations of the review to ensure our plans are deliverable.

Our Regional Executive team have reviewed the delivery plans and supporting documents and have completed an enhanced sign-off to ensure there is appropriate leadership involvement and thorough oversight of our development and implementation of the plan.

Delivery for the year ahead (2024-25)

Our 2024/25 targets against key performance indicators for our strategic objectives are below. We will monitor delivery against these throughout the year through our business and executive level monitoring. We will also agree scorecards to support delivery of our objectives, giving tactical focus to key areas for the coming year, and setting target ranges linked to our performance related pay. Where appropriate, some scorecard targets may aim for further stretch than our regulatory baseline or set a trajectory to recover performance that is below baselines.

Table 13. Outcome targets for 2024/25

		2024/25 target	
	Safety	Workforce Fatalities and Weighted Injuries (FWI)	0.070
		Train Accident Risk Reduction (TARR)	95%
		Personal Accountability for Safety (PAFS)	228
	Train Service Delivery	Passenger On Time	62.9%
		Passenger Cancellations	3.7%
		Freight Cancellations	1.0%
		Freight Growth (from CP6 exit)	1.7%
	Customers & communities	Passenger satisfaction	7.80
	Efficiency	Operational efficiency (£m)*	19
		Capital efficiency (£m)*	30
		Financial Performance Measure (£)	0
	Sustainable Growth	Scope 1 & 2 carbon reduction	-2.0%
		Biodiversity units net gain	0.0%
	People	Employee engagement	51

*Direct efficiencies only, quoted on a cash basis. Addition of allocated efficiencies give targets of £23m for operational expenditure and £42m for capital expenditure.

With the economic and environmental challenges we expect to face in CP7, it is vital that we start the control period as we mean to go on and capture every opportunity presented to us so we can successfully deliver a safe, reliable and efficient railway in our region.

The foundation for successful delivery will be provided by our enhanced operating model which will go live in April 2024 and will further devolve accountability and resources to our three routes – key to realising our safety, performance and other strategic ambitions. It will also ensure that our regional teams remain highly focussed on supporting the routes and ensure they are capable of leading on accountability for assurance and our medium to long term strategy.

Safety

We will continue to work on reducing the numbers of workforce safety incidents, which will be tracked through our Fatalities and Weighted Injuries (FWI) measure and reporting of lifesaving rule breaches (personal accountability for safety) by our people. We will also continue to tackle train accident risk by delivering asset renewals, maintenance and passenger safety milestones.

Train Service Delivery

In CP7 we will measure our passenger train performance by the percentage of trains that arrive at a station on time or early. We have set ourselves challenging targets for 2024/25 that reflect the available funding. We will also track freight performance through the number of freight service cancellations and the level of freight growth. Cancelled services lead to disruption of our freight customers and end-users, so we will hold ourselves accountable to good performance by committing to an improvement in freight performance from 2024/25.

Customer and Communities

We use our Passenger Satisfaction (Wavelength) survey to measure our performance against the areas that matter most to passengers. Passenger satisfaction is impacted by factors including disruption, on-train comfort, seating, and assistance. We aim to keep passenger satisfaction at a good level in 2024/25.

Efficiency

We will monitor our financial performance using the Financial Performance Measure (FPM) to assess how we have performed against the financial targets in our CP7 plan. We plan to be more efficient in 2024/25, as measured by operational and capital efficiency measures.

Sustainable Growth

The NW&C Environmental Sustainability Strategy sets out our plans to work towards net-zero carbon emissions by 2050 and support biodiversity net gain. We plan to build on CP6 progress in both of these areas in the first year of CP7.

People

We measure employee engagement through an annual Your Voice survey. Our last employee engagement survey was strongly influenced by the negative impacts of prolonged industrial action and action plans are in place with an aim to improve scores for 2024/25.