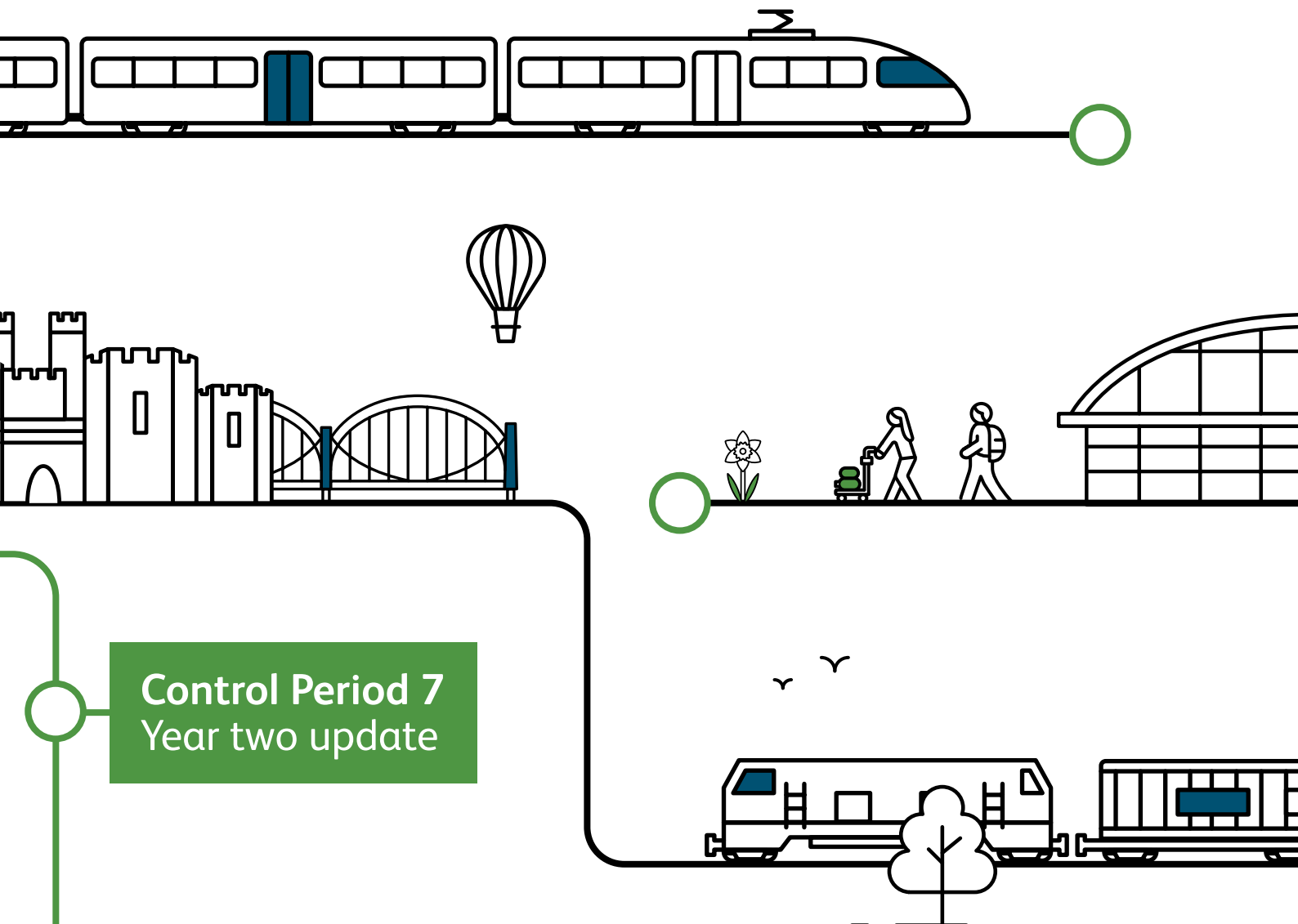


Our delivery plan for Wales and Western



Foreword

Our purpose is to deliver the best and safest railway for our passengers, freight users, our local communities and stakeholders. We take enormous pride in this responsibility.

We started last year with a significant train performance problem which was letting our passengers and freight users down. We're committed to delivering a great regional railway and started Control Period 7 (CP7) investing more money to improve train service performance.

I have set three clear priorities for the region: running trains on time, everyone home safe every day, and living within our means. This year we've taken action to deliver against these priorities which provide a foundation for success next year and in the remainder of CP7.

Following the Office of Rail and Road (ORR) investigation into our train service performance, we produced and published a very detailed improvement plan. This plan was approved by the ORR in September 2024. Our plan reinforces our commitment to collaborate with industry partners, to deliver the service levels passengers and freight users deserve.

Our CP7 safety strategy was launched in June 2024, setting out the key behaviours and activities we need to model and deliver, so that everyone goes home safe every day.

We continue to focus closely on the delivery of both our financial targets and our efficiency plan. Through careful management we're managing our expenditure within our fixed financial envelope, in spite of inflationary and other external factors. We're also focused on the challenges in the delivery of some renewal projects, particularly major re-signalling.

With the aim of improving train performance, getting everyone home safe every day, and living within our means, we've delivered an organisational change to devolve more responsibility from our regional structure into the routes. This new structure brings asset management and maintenance closer together

and will give the routes the levers to make quicker local decisions. It also helps us to be ready to embrace the opportunity of the creation of Great British Railways and wider industry reform.

We've taken steps to lead and strengthen our involvement in the development of the significant Old Oak Common project – the largest new station to be built on Britain's railways in the past 100 years. We've introduced a dedicated directorate, within which we can widen our focus on the many deeply complex moving parts of this programme of infrastructure works for the station build, which is being led by HS2 colleagues.

Our plans for CP7 continue to be shaped by the financial challenges from high levels of inflation, which led to difficult choices. But, we've remained focused on train performance as our top priority. Although challenging, CP7 represents a significant opportunity to make a difference to the lives of millions of people every day by connecting communities and driving economic growth.

The changes we have made in the last year will put us on a path to deliver a greater railway in 2025/26 and the rest of CP7 for the customers and communities we serve in Wales & Western.



Rob Cairns

Interim regional managing director,
Wales & Western

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Our 2024 to 2029 plan on a page



5,000

colleagues

daily delivering over

3,540

passenger and
freight services



moving

115.9m

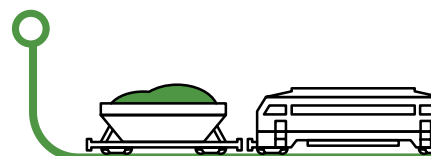
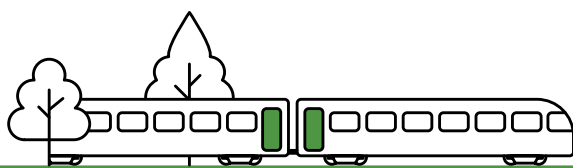
passengers



and

26m

tonnes of freight
every year



£5.2bn

In CP7 we will invest to operate, maintain and renew our railway, delivering:



Safety

24%

improvement
in workforce
safety

4%

improvement
in trains on
time



Customers &
communities

2%

improvement
in passenger
satisfaction



Efficiency

£490m

reduction
in cost



Train service
delivery

25%

fewer passenger
trains cancelled

51%

fewer freight
trains cancelled

3.9%

increase in
freight services



Sustainable
growth

21%

reduction
in carbon
emissions

4%

improvement
in biodiversity



People

6%

improvement
in colleague
engagement

Introduction to this document

Purpose and background

In March 2024, we published our Control Period 7 (CP7) Delivery Plan which set out our planned activities, outputs and expenditure for operating, maintaining and renewing our railway infrastructure between 1 April 2024 and 31 March 2029.

This document provides an update on our progress in delivering our CP7 Delivery Plan and provides an overview of our updated plan for years 2-5 of CP7, clearly identifying any key changes compared to our March 2024 delivery plan.

Financial values expressed in this document are in cash prices (using the Office for Budget Responsibility's (OBR) November 2024 inflation forecast), unless otherwise stated.

We also undertake enhancements to the railway for DfT and other funders. These are funded separately and are not included in this document. Details of these projects can be found on our website.

Who we are

We're Wales & Western region, one of Network Rail's five regions. Connecting two nations and two capital cities, Wales & Western serves people, businesses and communities the length and breadth of Wales and Borders, Oxfordshire and the Thames Valley, west of England and the South West Peninsula.

We directly contribute more than £300m to our economy each year, alongside the wider socio-economic benefit of railway connectivity, which totals at least £3.4bn per year in Wales and the South West¹. We support economic growth through connecting communities to employment and leisure: rail supports c.71,000 jobs in Wales and the South West. We support critical freight services, notably aggregates, moving millions of tonnes of freight every year.

Our region is made up of two devolved routes: Wales & Borders, and Western, who deliver safe, efficient and effective asset management, operations and maintenance. They are supported by our Capital Delivery team for infrastructure renewals, and by our regional business support functions. Collectively, we're focussed on putting the passenger and freight user first to provide a safe, reliable and high performing railway every day.



We work closely with industry partners: supporting the delivery of Transport for Wales' (TfW) transformation of the railway in Wales and Borders, and working with Transport for London (Elizabeth line) and Great Western Railway (GWR) to deliver reliable services across our region and to identify opportunities to deliver early benefits from industry reform.

¹ Direct economic contribution measured in gross domestic product, source: NR analysis. Socio-economic contribution measured in gross value add, source: The Economic Contribution of UK Rail, Oxford Economics, September 2021.

How we've updated our plan

We've developed this Delivery Plan update through four reviews of our business plan in 2024/25. We've involved colleagues from across our routes and region as we tracked delivery of our CP7 Year 1 commitments and deepened the maturity of our plans. This iterative approach has allowed us to adapt plans and respond to the latest information. In 2024/25 we've had to make decisions to remain within our fixed funding, while absorbing costs from higher levels of inflation and the increase in employers' National Insurance contributions. We've also prioritised continued expenditure on train performance improvements. This has involved reassessing, prioritising and updating our asset renewal plans.

We've implemented improvements to our internal governance with a new business planning assurance board to oversee any changes to our plan. This is supported by strengthened assurance nationally, with a specific focus on train service delivery, finance and asset management.

We've also transformed how we manage our business, devolving significant accountability to our route teams to put decision making closer to front-line delivery to our passengers and freight users, so that we are spending our fixed funding in the right locations. This means we can be closer to our stakeholders and helps to prepare for industry reform.

We'll continue to monitor delivery against plans as the Control Period progresses. Although our delivery plans reflect our best and latest view of the activity we'll undertake in CP7, these plans will inevitably evolve as we respond to risks and uncertainties during the next four years. We'll need to remain agile to respond to the challenges and opportunities ahead of us over the Control Period, which will also require flexibility in the way we're regulated.

2025 Spending Review

The 2025 Spending Review, covering the final three years of CP7 (i.e. April 2026 – March 2029), included consideration of Network Rail's OMR budget. The primary outcome is that a relatively small part of our budget has been recategorised under government accounting rules. In addition, we have received a £165m stretch to our plan (covering operational expenditure and income) across England and Wales over the three years.

We will consider the implications of this on our plan and deliverables and will reflect them in next year's Delivery Plan update, noting we don't expect our plans for year 2 to be impacted. Therefore, at this stage, we have not adjusted our planned income, expenditure, activities or outcomes in this document to account for the 2025 Spending Review. Whilst the 2025 Spending Review covers up to March 2030 for capital spend, capital spend in April 2029 – March 2030 will be determined through the Periodic Review process.

Stakeholder engagement

Stakeholder engagement is an essential part of how we do business. It provides valuable insights into the thinking, expectations and priorities of all our stakeholders, ranging from passengers to operators, from suppliers through to local authorities.

Our Delivery Plan was built on a foundation of widespread stakeholder engagement, and we've continued to enhance our approach. We've refreshed our stakeholder challenge panel so that it now meets regularly to monitor progress against our objectives throughout the Control Period, not just considering our planning for the future. The stakeholder challenge panel reviewed our Delivery Plan update as well as Project Brunel, our train service recovery programme for Western route which forms part of our wider performance improvement plan.

Our vision and strategy

In this section we provide an overview of our vision, strategy and outcomes and highlight any changes since our March 2024 CP7 Delivery Plan.

Our national vision: simpler, better and greener

Simpler. We'll play our part in improving the service we give to customers, unifying the railway to make it easier for people to choose rail, growing passenger numbers and freight. We'll root out waste and duplication and stop doing things that don't add value.

Better. We will continue putting passengers first and shifting more goods by rail, encourage local accountability and be more commercially minded. We'll create a new type of rail leader, invest in the skills and safety of our colleagues, help rebuild the railway with our partners and play our part in rail reform.

Greener. And by making rail simpler and better, we will attract more people to the cleanest, greenest form of mass transport, while reducing our own carbon footprint.

Our national strategic themes

We've six national strategic themes that underpin our vision, with our plans for CP7 aligned to each theme. Our devolved structure means that regions and functions can adapt their strategies to their unique circumstances and local stakeholder priorities, while contributing to the network-wide objectives.



Safety

Everyone home safe, every day.



Train service delivery

Delivering reliable and punctual train services.



Customers & communities

Dependable partner with customer service at the heart of everything we do.



Efficiency

Run a safe, reliable and efficient railway.



Sustainable growth

To serve the nation with the cleanest, greenest mass transport.



People

Become a high performing, service led organisation.

In Wales & Western, we've three clear priorities:



**trains
on time**



**everyone
home safe
every day**



**living within
our means**

Our regional strategy focuses on both our core objectives and the behaviours and culture needed to support successful delivery.

To support our priorities, we have several high-level objectives:

**Safely achieving
our on-time
target for CP7**

**Making sure
we've the right
environments and
arrangements for
people to do their
best work**

**Expanding on the
collaboration we've
already built with
industry partners in
the region**

**Delivering the basics
consistently well**

**Establishing a new
Industry Programme
Board to oversee
performance
improvement**

**Making sure we
manage timetable
changes well**

**Investing in tools
and technology**

**Improving the
governance and
assurance of our plans**

To support this, we'll implement a performance-driven culture. We'll support our people, so they feel safe to speak out. We'll celebrate the results of our teams' hard work, and we'll improve working together with colleagues. We'll also make sure that our front line teams are being supported to deliver.





Safety

Our ambition

Our railway must always be safe. Our colleagues and those who use and interact with our railway should always expect to go home safe and well, every day.

Our key 2024-2029 safety objectives and forecasts

- Improve workforce safety with a 24 % reduction in colleague accidents.
- Reduce public and passenger injuries, supported by passenger safety milestones.
- Increase to 50 % coverage of mental health awareness training for managers and establishing a community of practice for mental health first aiders.
- Implementing comprehensive safety training programmes, regular risk assessments, and promoting a culture of safety awareness among colleagues.

		23/24	24/25	25/26	26/27	27/28	28/29
Fatalities and Weighted Injuries (FWI)							
	■ DP25	0.084	0.080	0.068	0.068	0.068	0.064
	— DP24	0.088	0.079	0.075	0.072	0.068	0.064
Train Accident Risk Reduction (TARR)							
	■ DP25	95 %	88 %	95 %	95 %	95 %	95 %
	— DP24	91 %	95 %	95 %	95 %	95 %	95 %
Personal Accountability for Safety (PAFS)							
	■ DP25	110	139	123	120	117	115
	— DP24	106	125	123	120	117	115

Note: Grey columns are confirmed outturn for past years. Lighter coloured columns are forecasts for the current year.

Darker coloured columns show our latest forecast against our original Delivery Plan.

■ denotes March 2025 Delivery Plan forecast. — denotes March 2024 Delivery Plan.

On the evening of 21 October 2024, a Transport for Wales passenger service from Shrewsbury to Aberystwyth collided with another train on the Cambrian Line. One passenger tragically died, and 15 other people required hospital treatment. The Rail Accident Investigation Branch (RAIB) have started an independent safety investigation into the cause of the incident and the region is fully supporting this.

Ensuring passengers are safe on our network is of the utmost importance and we're placing a strong focus on the delivery of our 15 passenger safety improvement milestones. This includes improvements to level crossings, drainage, and vegetation.

The number of accidents at work has decreased from previous years, though we're not achieving the reduction we want in the more severe accidents causing injury. Slips, trips and falls remain the most common cause of injuries. We continue to run slips, trips and falls training across the region, with some events held with industry colleagues outside of Network Rail. The aim is to provide managers with a toolkit to create effective and efficient plans, reducing injuries.

Key initiatives

At the start of CP7 we launched our new Health and Safety Strategy. This is our blueprint for delivering a healthy and safe workforce and keeping our railway safe. We'll empower our workforce with the necessary skills and knowledge to identify and mitigate risks, while prioritising the wellbeing of every individual.

We have dedicated funding for our frontline teams for local safety improvements, which has been used on initiatives such as reducing slips, trips and falls. We'll continue to endorse and nurture a safety-first culture that encourages open communication, collaboration, and continuous improvement, so that we remain at the forefront of safety excellence.

We'll also embed a stronger assurance approach by utilising the RM3 risk maturity framework in collaboration with our industry partners to help us manage risks, identify areas for improvement, and provide a benchmark for year-on-year comparison. This ongoing assurance model will enable us to understand which areas are performing well and others where additional work is needed.



In 2025/26 we'll continue to improve level crossing safety with signage improvements and installing additional safety features at high risk locations.



Train service delivery

Our ambition

Our passengers and freight customers want a reliable service every day. Our ambition is to provide reliable assets and operations, preventing disruption and responding quickly when things go wrong.

Our key 2024-2029 train service delivery objectives and forecasts

- Increase on time performance by 4 % and reduce cancellations by 25 %².
- Deliver our train service improvement plans, making our asset more resilient.
- Improve our asset reliability and invest to make our overhead line system more resilient.
- Respond to incidents faster, with joint asset response teams, and respond safely to extreme and unpredictable weather.
- Enhance traffic management, improve our timetabling, enhance our operations capability and work closely with our industry partners.
- Work with stakeholders to increase freight services by 3.9 %.
- Reduce disruption to freight services, with a 45 % reduction in cancellations from CP6.
- Focus on addressing heavy axle weight restrictions.

² Compared to forecast CP6 exit. ORR's 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. This recognises the significant uncertainty in forecasting and setting targets for train performance.



		23/24	24/25	25/26	26/27	27/28	28/29
Passenger On Time*							
	DP25	58.6 %	60.6 %	60.6 %	58.9%-65.3 %	58.5%-64.9 %	58.6%-65.0 %
	DP24	59.4 %	60.4 %	60.4 %	58.9%-65.3 %	58.5%-64.9 %	58.6%-65.0 %
Passenger Cancellations							
	DP25	4.9 %	4.7 %	3.8 %	3.3%-4.3 %	3.3%-4.3 %	3.3%-4.3 %
	DP24	4.4 %	3.8 %	3.8 %	3.3%-4.3 %	3.3%-4.3 %	3.3%-4.3 %
Freight Cancellations							
	DP25	2.9 %	1.9 %	1.6 %	1.6 %	1.6 %	1.6 %
	DP24	3.3 %	2.1 %	1.6 %	1.6 %	1.6 %	1.6 %
Freight Growth (net tonne kilometres)							
	DP25	-	-1.8 %	-1.1 %	0.7 %	3.1 %	3.9 %
	DP24	-	1.4 %	2.8 %	4.1 %	5.5 %	6.9 %
Composite Sustainability Index (CSI) (CP7 change % pts)							
	DP25	-	-	-	-	-	-1.9 %
	DP24	-	-	-	-	-	-2.0 %
Composite Reliability Index (CRI)							
	DP25	-14.3 %	2.9 %	-1.4 %	-3.4 %	-3.1 %	-3.5 %
	DP24	-	-2.4 %	-4.4 %	-6.5 %	-6.3 %	-6.6 %
Service Affecting Failures (SAFs)							
	DP25	3,659	3,529	3,727	3,810	3,796	3,827
	DP24	3,622	3,651	3,733	3,810	3,796	3,827

Note: Grey columns are confirmed outturn for past years. CSI and CRI targets are set against a CP6 baseline. Lighter coloured columns are forecasts for the current year. Darker coloured columns show our latest forecast against our original Delivery Plan. ■ denotes March 2025 Delivery Plan forecast. — denotes March 2024 Delivery Plan. * Performance on Network Rail's network only. Striped columns show indicative trajectories.

We started the year with a significant train performance problem which was letting our passengers and freight users down. We're committed to delivering a great railway across our two routes and started CP7 investing more money to improve train service performance.

Following the Office of Rail and Road (ORR) investigation into our train service performance, we produced and published a detailed improvement plan. This plan was approved by the ORR in September 2024. Our plan reinforces our commitment to collaborate with industry partners, to deliver the service levels passengers and freight users deserve.

Key initiatives

Our performance improvement plan contains around 50 activities we'll undertake between now and 2029 to improve train and freight performance.

Delivering good train service performance is a challenge for the whole industry with complex, interlinked issues. We've embedded the industry Performance Improvement Management System (PIMS), and continue to work collaboratively with our train and freight operating companies delivering our joint improvement plans.

The whole industry must also continue to focus on how quickly we can recover the train service once incidents occur.

We're working in partnership to improve performance delivery in South Wales through better collaboration with TfW and Amey Infrastructure Wales, and across Wales supporting TfW's new, more intensive timetable.

We're also working closely with HS2 Limited to understand the performance risks and mitigation from construction of the GWML / HS2 interchange station at Old Oak Common (a new eight platform station being constructed three miles west of London Paddington) which we forecast will have a significant impact on our performance delivery. We've introduced a dedicated directorate, within which we can widen our focus on the many deeply complex moving parts of this programme of infrastructure works for the station build, which is being led by HS2 colleagues.

Freight

Britain relies on rail freight to keep powering the economy, and the rail freight business continues to grow. We're proud to support the thriving freight sector, with major traffic volumes across our region in all the major freight flows.

We're committed to supporting the growth of rail freight in the region. We've engaged with both rail freight operators and end users through our stakeholder engagement process to understand their needs for reliable railway infrastructure to support the forecast growth.

Our network-wide freight growth commitment remains unchanged in CP7, although the regional share of that growth has been reallocated to reflect changing traffic flows, such as the weakness in construction flows which dominate freight traffic on our region.





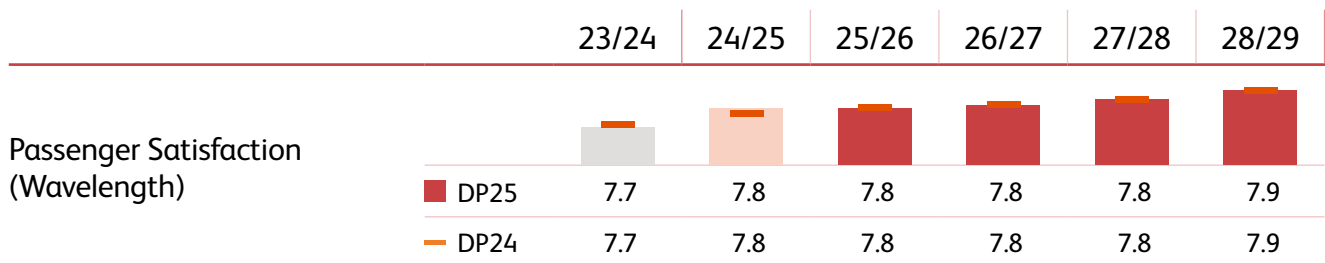
Customers & communities

Our ambition

We want to excel at providing a safe and outstanding customer experience for all the users of the railway. We'll be a good neighbour and support our local communities.

Our key 2024-2029 customers & communities objectives and forecasts

- Improve passenger satisfaction by 2 %.
- Improve customer service and information, and install “changing places” toilets at our managed stations.
- Be a good neighbour, completing each lineside neighbour service request within 20 days.
- Support community rail initiatives across our region.



Note: Grey columns are confirmed outturn for past years. Lighter coloured columns are forecasts for the current year. Darker coloured columns show our latest forecast against our original Delivery Plan. ■ denotes March 2025 Delivery Plan forecast. ■ denotes March 2024 Delivery Plan.

Our Passenger Satisfaction score remains on course to achieve our target for the year. We know that satisfaction is heavily linked to train service delivery. Consistently running trains on time will help maintain high levels of satisfaction.



Key initiatives

In addition to our plans for train service delivery across the region, we're responding directly to our passengers by improving experience at our managed stations (London Paddington, Reading and Bristol Temple Meads). We'll provide more electric vehicle charging points, Wi-Fi and Changing Places toilets at these stations. We'll modernise customer information systems at London Paddington and Reading and improve wayfinding at Paddington.

Across Wales and Western routes, we'll continue to improve station accessibility, installing and renewing tactile paving, and addressing crossfall compliance at key locations. Passengers will also benefit from more reliable lifts and escalators, station footbridge refurbishments, and platform lighting improvements.

We're committed to being a good neighbour and to engaging positively with our partners and communities. We'll aim to complete each lineside neighbour service request within 20 days. We're replacing traditional letters to lineside neighbours with emails to advise them of our work in their area. This will speed up our communications, enabling us to track open rates and make substantial savings.

We'll continue to work closely with community rail partnerships, actively managing 20 local community schemes, and develop greater collaboration and alignment with regional stakeholders' initiatives to improve integrated customer experience.



We're committed to engaging with our local communities. Our dedicated community safety managers work with schools and local organisations, and at events like the Eisteddfod to promote rail safety and engagement with the railway.



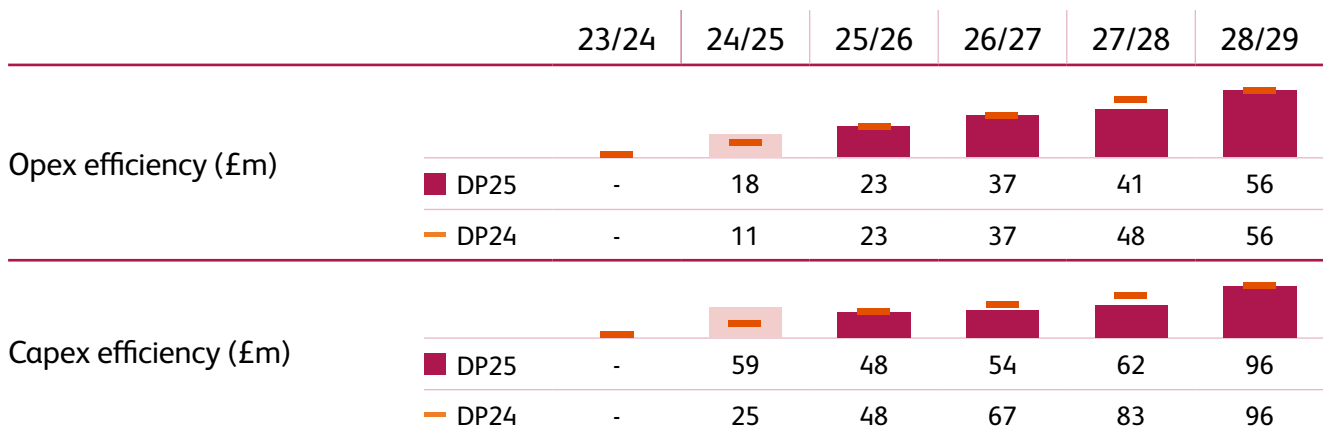
Efficiency

Our ambition

Every day, we have the responsibility to spend taxpayers' money effectively and efficiently. This will enable us to deliver a great performing railway which reduces whole industry net subsidy, protecting and generating additional industry revenue, in advance of industry reform.

Our key 2024-2029 efficiency objectives and forecasts

- Successfully deliver value for money in our £2.6bn of asset renewals and £2.5bn of operational expenditure, including over £490m of efficiencies.
- Be a more intelligent client with our supply chain, working more closely and collaboratively.
- Increase the services and facilities we provide at our managed stations, generating additional revenue for reinvestment.



Note: These targets are from a CP6 exit baseline. Lighter coloured columns are forecasts for the current year. Darker coloured columns show our latest forecast against our original Delivery Plan. ■ denotes March 2025 Delivery Plan forecast. ■ denotes March 2024 Delivery Plan.

We're forecasting to out-perform our efficiency target in the first year of CP7, supported by large renewal blockade efficiencies. This helps to reduce efficiency delivery risk in future years.

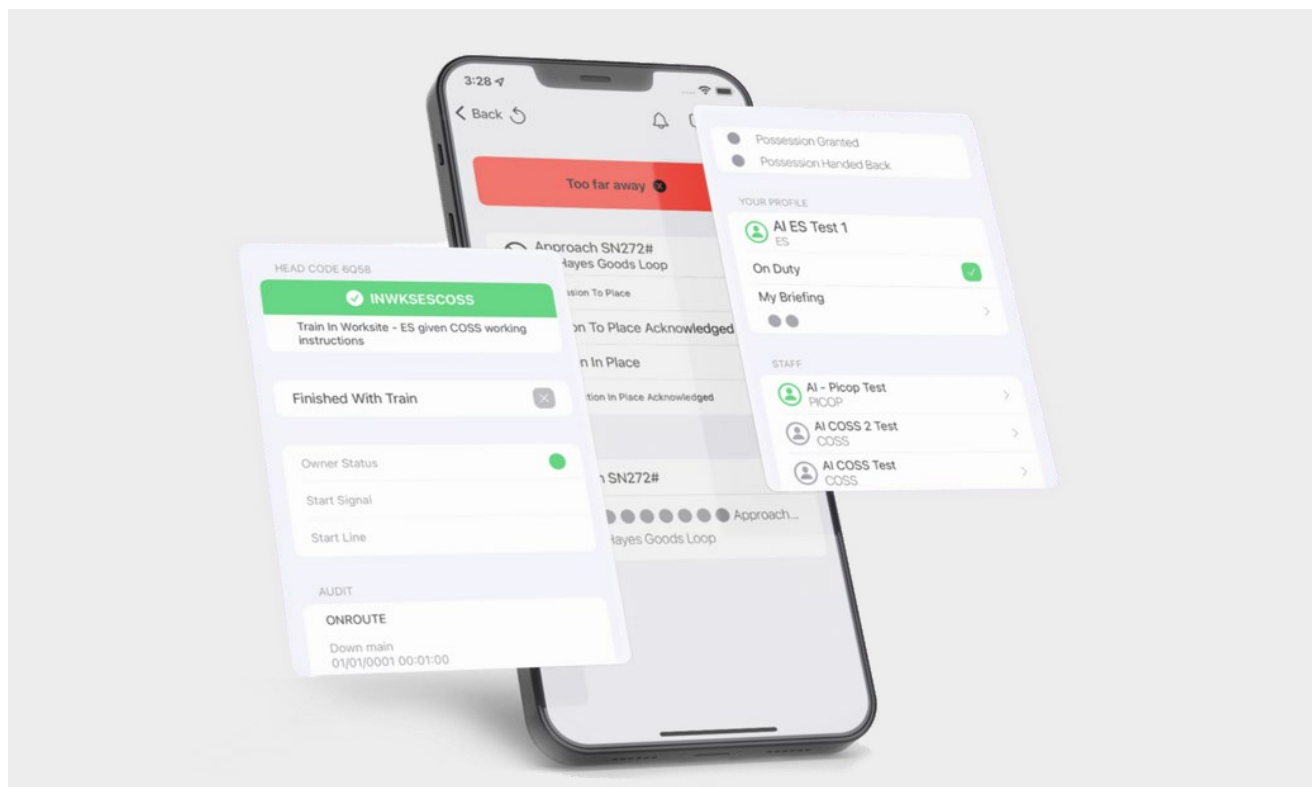
Key initiatives

We're committed to delivering stretching efficiency plans, remaining agile to the challenges of delivery due to the economic uncertainty we face in CP7, including inflation. Our operating costs will be 10 % cheaper, and our renewals 15 % cheaper compared to CP6 (before inflation).

Our flagship asset efficiency initiative for CP7 is the implementation of a fundamentally revised approach to delivering our capital works portfolio: Intelligent Client. With new contracts let to a core team of partners, it's transforming the engagement with our supply chain. It's reducing duplication, increasing design flexibility, and bringing technological improvements.

We've devolved more decision-making to our routes, so they can make the right, market-led decisions on asset renewal plans, to maximise efficiency. This includes how we do our works, to make the best use of the engineering access we have, and to get the balance right between access and running trains. We've also modernised our maintenance organisation, only sending the right number of people with the right skills, to do the right work at the right time – safely.

Our Industry Efficiency Board continues to identify cross-industry efficiencies, including joint property strategies, workforce modernisation and optimising access initiatives, deepening cross-industry collaboration ahead of reform. We'll also identify opportunities to align with HS2's station construction requirements at Old Oak Common.



We're using digital technology to change how we plan and access the track for engineering works. Moving to a digital information solution is saving over £1.2m and gives our people access to better information in real time.



Sustainable growth

Our ambition

Our passengers and freight users are looking to rail for sustainable transport. We have a responsibility to reduce our carbon footprint, provide a resilient railway, and value our materials and land. We're committed to supporting the future prosperity of our communities, working with others to develop and deliver enhancements that support economic growth.

Our key 2024-2029 sustainable growth objectives and forecasts

- Lead action to mitigate the rising impact of climate change, promoting low emissions transport whilst reducing our own emissions.
- Improve biodiversity by 4 %.
- Be a resilient region, adapting to challenges presented by climate change.
- Work with stakeholders to develop local investment strategies.

		23/24	24/25	25/26	26/27	27/28	28/29
Carbon Emissions - Scope 1 & 2 Reduction (CP7 change % pts)							
	■ DP25	-33 %	-2 %	-5 %	-9 %	-14 %	-21 %
	■ DP24	-33 %	-2 %	-5 %	-9 %	-14 %	-21 %
Biodiversity Units Net Gain (CP7 change % pts)							
	■ DP25	-	0 %	1 %	2 %	3 %	4 %
	■ DP24	-	0 %	1 %	2 %	3 %	4 %

Note: These targets are from a CP6 exit baseline. Lighter coloured columns are forecasts for the current year. Darker coloured columns show our latest forecast against our original Delivery Plan.
■ denotes March 2025 Delivery Plan forecast. ■ denotes March 2024 Delivery Plan.

We're on track to achieve our 2024/25 target of 2 % reduction to carbon emissions from 2023/24. The largest reduction has been to the 'road fleet and business travel' category as we introduce more zero emissions vehicles.

Key initiatives

To support our progress with decarbonisation and air quality improvement, we'll implement energy intervention initiatives to reduce consumption. We'll pursue alternative forms of energy acquisition to contribute towards the Government's objective of net zero carbon by 2050. We also understand the importance of making our assets last and will innovate to move away from 'make, use, waste' to a circular process, keeping materials in use and reducing carbon emissions.

We'll continue the transition of our road fleet to 100% zero emission vehicles (ZEVs), including installation of charging points across our network, and at stations. We'll also transition to non-diesel plant to improve air quality for our colleagues, customers, and lineside neighbours.

We acknowledge the ever-growing impact of climate change on our railway. We'll deliver resilience schemes focusing on high-risk locations. We'll also continue to make biodiversity improvements, through valued lineside management, as well as developing green roofs and station community gardens.

Finally, we'll deepen our engagement and working relationship with funders, local authorities and communities. We'll work to accelerate development around our stations to integrate rail with other forms of transport and enhance the overall public transport experience.



In 2025/26 we'll be carrying out drainage refurbishment throughout Chipping Sodbury tunnel, lifting the track to prevent the pooling of water, and lifting signalling equipment out of the flood zone. We're working closely with our stakeholders on this scheme, including the Environment Agency, South Gloucestershire Council, and local farmers to develop a solution that fits the whole landscape.



People

Our ambition

Our people are at the centre of running the railway. We want our commitment to care for each other, and keep everyone safe, well and engaged, to be visible every day.

Our key 2024-2029 people objectives and forecasts

- Improve our employee engagement to 55 %.
- Be recognised for our commitment to be equitable, diverse and inclusive.
- Collaborate with our industry partners to ready ourselves for industry reform.
- Improve our workplaces with the right welfare facilities.
- Invest in training and competence so that our people have the right skills for their role.

		23/24	24/25	25/26	26/27	27/28	28/29
Employee Engagement							
	■ DP25	52 %	53 %	53 %	54 %	54 %	55 %
	— DP24	48 %	49 %	49 %	50 %	50 %	51 %

Note: Grey columns are confirmed outturn for past years. Lighter coloured columns are forecasts for the current year. Darker coloured columns show our latest forecast against our original Delivery Plan.
■ denotes March 2025 Delivery Plan forecast. — denotes March 2024 Delivery Plan.

In March 2024 we ran our employee engagement survey and achieved a 6 % improvement in engagement on the previous year. Our managers have worked with their teams to create improvement action plans for delivery this year.



Key initiatives

Together, we'll create an engaged, effective and efficient workforce. We'll have a supportive, caring culture that empowers our people, encourages innovation, and promotes a diverse and inclusive workforce reflective of the communities we serve. Our people strategy will transition us away from tactical, reactive management to a whole system proactive people-led approach. We're in the early stages of cultural and organisational change with much more to do to embed this.

We want our people to be engaged, skilled and competent, and cared for so they have full satisfaction at work. We'll use strategic workforce planning so we've the right people, with the right skills, in the right place to develop and implement modernised ways of working. We'll attract and retain a diverse and inclusive pool of talent, shaping great leaders, and promoting learning and innovation. We'll strengthen our competence management plans, so our people remain competent to deliver their accountabilities.

We'll also deepen our collaboration with our industry partners, working together to ready ourselves for industry reform.

We've a strong commitment to diversity and inclusivity. We'll create a safe, welcoming, respectful, and inclusive environment for all our people, passengers, and our supply chain in which everyone can feel valued for who they are. This year we launched our five-year equity, diversity and inclusion plan, and this year we'll move from awareness to action.

We'll give our people better tools to do a great job, challenging processes and ways of working that add no value. Our workplaces will be modern, safe, and clean providing a great working environment for all our people.



We're changing our organisation structure, devolving accountability from our region to our route teams. Rheilffordd Gogledd Cymru (North Wales Railway) is one of our local railway partnerships, where we're working closely with Transport for Wales, Avanti West Coast and Great Western Railway. These local railway partnerships mean our people can make local decisions more quickly to do the right thing for our passengers and freight users.

Our income and expenditure

Introduction

In this section we provide an overview of our CP7 Year 1 income and expenditure (based on a forecast as at February 2025) and our planned income and expenditure for Years 2-5 of CP7, highlighting any changes from our March 2024 CP7 delivery plan.

CP7 operations and support

Operations

We want to deliver operations that provide seamless services to our customers, a service that mitigates the risk of delays, and provides fast recovery when delays happen. We're expanding the rollout of traffic management technologies to the rest of the region, allowing us to run more trains safely, more reliably, and manage the rail network more efficiently for passengers and customers.

We continue to focus on making sure we've got the right level of resourcing in our operations functions, developing our colleagues, maintaining high levels of competence and capability, attracting new talent, and managing our vacancy gaps. We'll put a longer-term plan in place which will reflect the demographic profile of our workforce.

Our control rooms are at the heart of our business, working to see our trains run on time and dealing with incidents as they arise. We've invested in upskilling our control teams with a new leadership academy, and will continue to improve this vital function which monitors and manages the delivery of train services. We'll use data to identify improvements to be implemented into the timetable, to deliver a high performing railway on which our passengers and freight customers can rely.

Support

Our support functions comprise regional teams covering finance, human resources, health, safety and environment leadership, investment, commercial and Capital Delivery. At a route level, support comprises our managed stations, route planning, performance and customer relationship teams. We continue to exercise close scrutiny on resourcing in our central functions, so that they continue to be efficient and providing value to the route and delivery teams they support.

Maintaining and renewing our railway (including other capital expenditure)

Our goal is to deliver a high-performing railway for passengers and freight users, balancing asset needs and affordability. In CP7, we aim to maximise safety and train service performance within available funding.

In line with our market-led approach, our decision making has been informed by considering wider social and economic factors. We've made key trade-offs within our asset management plans, to invest funding in high-risk areas to deliver our targets for safety, performance and reliability. We're strengthening maintenance regimes in some areas, enabling renewals funds to be re-prioritised, notably to support performance improvement on key lines of route. We continue to keep our plans under review to deliver the best service for passengers and freight users.

Our safety risk assessment framework for CP7 assesses the impact of a shift in the risk profile resulting from lower planned level of renewals and identifies mitigations. Over the past year, we've embedded the safety risk assessments into national and regional assurance processes, and have used these to assess changes to our asset management plans throughout the year. We'll continue to iterate and develop the safety risk assessments, initially focused on Electrification and Fixed Plant assets over the next year.

Our asset management and maintenance teams have been working together so that there is alignment between our renewals and maintenance plans for CP7.

We've changed our region's operating model to bring together leadership of our renewals and maintenance activity into route-based teams so that alignment can be further deepened. We are developing enhanced maintenance regimes and risk-based maintenance capabilities to extend asset life and deliver efficient operations.

Our CP7 maintenance and renewals activity and expenditure by asset is as follows:

Table 1. CP7 Year 1 activity and expenditure and planned CP7 Years 2-5 activity and expenditure (£m, post-efficient cash prices inclusive of risk, linear volumes).

Asset type	CP7 priorities (and any key changes)	Expenditure		Volumes	
		Total CP7 March 2024 Delivery Plan	Total CP7 March 2025 Delivery Plan	Total CP7 March 2024 Delivery Plan	Total CP7 March 2025 Delivery Plan
Track	Focus on performance requirements, addressing high-risk areas for speed restrictions, and reducing maintenance requirements through condition-led plain line renewals.	£681m	£690m	479km plain line 308 S&C units	481km plain line 335 S&C units
Off track	Fencing renewals to reduce animal incursions and a major vegetation management program to improve train service performance.	£96m	£98m	647km	647km
Signalling	Renewal of the oldest electronic infrastructure, removing obsolete equipment, and renewing life-expired computerised signalling on the Cambrian line. Development costs for CP8 re-signalling works have been rephased.	£422m	£375m	3,514 SEUs ³	3,514 SEUs ³
Level crossings	Renewing life-expired level crossings to modern standards and implementing user safety interventions. Reduction in non-volume expenditure.	£110m	£92m	97 volumes ⁴	107 volumes
Structures	Addressing key risks and maintaining safety with increased expenditure on asset examinations, condition-based renewals for tunnels (including key drainage in the Severn Tunnel, and bridge works, including Keyham viaduct in Plymouth). Reduction in non-volume expenditure.	£340m	£308m	46,146m ²	46,146m ²

Earthworks	Investing in failure detection equipment and geotechnical instrumentation to improve resilience against extreme weather and climate change.	£308m	£285m	5,649 volumes	5,649 volumes
Drainage	Continuing significant investment in drainage maintenance with dedicated teams to complement the renewals programme. Track drainage refurbishment volumes increased to improve performance during severe rainfall.	£77m	£72m	125,002m	141,958m
Buildings	Investing in depot schemes for TfW and GWR to support train operators in maintaining fleet and equipment. Reduction in non-volume expenditure.	£301m	£251m	292,779m ^{2,4}	297,952m ²
Electrification & Fixed Plant	Replacing overhead line headspans between Paddington and Airport Junction and renewing the overhead line conductor beam system in the Severn Tunnel.	£189m	£181m	310 volumes ⁴	314 volumes
Telecoms	Renewing customer information systems at Paddington and Reading stations and upgrading telecoms network battery and charging systems. Volumes increased following review of renewals plan phasing.	£64m	£61m	5,295 volumes	8,384 volumes
Other renewals	Activities to improve track worker safety, security, environmental sustainability, weather resilience, and commercial and workplace property renewals. The March 2024 figure included a funding overlay due to higher inflation than that assumed in the October 2022 Statement of Funds Available. This year we've reduced this overlay with changes to other parts of the plan, which changes the overall total other renewals expenditure.	£136m	£180m	n/a	n/a
Maintenance	Safe maintenance of assets to deliver reliable train services, with more in-house maintenance resources to reduce sub-contracting, and additional activity to improve train service performance.	£1,578m	£1,720m	n/a	n/a

³ SEU: Signalling Equivalent Unit, a measure of signalling volume.

⁴ Restated to correct typographical error in March 2024 Delivery Plan.

CP7 income

Our income is made up of charges that passenger and freight operators 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.

Our access charging income reflects the latest price lists and traffic forecasts for CP7, including the introduction of new open access operators

later in CP7. Our forecasts also reflect the freight growth target in our plan.

Our property income forecast is closely linked to our investment in our property portfolio, in particular our revenue-generating renewals. We aim to support our business and contribute to our financial performance by growing our revenue from retail, including improving facilities at our managed stations. We also work with third parties to realise income from development opportunities relating to our property.



Risks, uncertainty and opportunities

We face many risks, opportunities and areas of uncertainty in CP7. We've a defined risk management process which seeks to maximise opportunities and minimise threats, and to provide assurance of delivery of our outcomes. Our risks have detailed mitigations in place, and we'll continue to be agile and flexible to respond to changing circumstances in CP7.

Our principal opportunities, risks and mitigations for CP7 are summarised as follows:

Description	Examples of mitigations / actions
Industry reform: opportunity to enhance industry collaboration.	In CP7, we'll see the creation of Great British Railways (GBR), bringing DfT procured operators back into public ownership and providing a single guiding mind for track and train. We welcome the Government's commitment to establish GBR and are working closely with train operators to deliver early benefits from integration. Our industry efficiency board and other initiatives, such as our transport partnership with TfW are delivering industry collaboration benefits prior to reform.
Inflation / input prices: general inflation and our own input price inflation is higher than assumed in the Statement of Funds Available with impact on cost base / input prices, including lagging impact.	Robust quarterly business plan update involving the regional executive including group chief finance officer (CFO) and ORR reviews. Ongoing cost control, use of risk funding.
Train performance: train performance is lower than forecast.	Strong industry alignment and collaboration, and meaningful Joint Performance Strategies, recognising that delivering performance improvement is a whole industry responsibility.
Efficiency: efficiency opportunities not realised.	Detailed efficiency tracking and governance, ongoing efficiency development. Planning for outperformance to cover any shortfalls.
Weather resilience / climate change: weather related incidents cause high levels of service disruption, cost and reputational impact.	Investment in weather resilience and climate change adaptation, robust incident response.
Safety: unanticipated safety issues arise in CP7.	Use of safety bow-tie risk assessment framework, operational restrictions, risk funding to increase expenditure if required.

Deliverability, including risk of supplier vulnerability: projects delayed with associated cost escalation, including the complex technology / signalling projects.	Deliverability reviews, overplanning to minimise under-utilisation of funding. Intelligent Client capital delivery model to keep check on cost and delivery.
Income: lower levels of income (charging and property income) from lower services and lower footfall.	Income assumptions to use latest forecasts for passenger and traffic volumes, use of risk funding.
HS2: disruption due to the construction of the HS2 / Great Western mainline interchange station at Old Oak Common.	Robust contingency planning, cross-industry timetable development, infrastructure and service mitigations (funded by HS2 Ltd), robust response to incidents.
Carbon reduction: fail to meet our carbon reduction targets.	Energy interventions to reduce consumption. Road fleet & plant transition to 100 % ZEVs. Decarb via alternative energy acquisition.
Asset sustainability: need for asset reliability to support train service performance.	Risk-based asset renewals such as investment into making overhead line more resilient. Investing in weather and climate change adaptation of assets.
Employers' National Insurance contributions: changes to NI contributions have increased our employee costs and will also impact our supply chain, with the cost of materials, equipment and projects likely to increase for Years 2-5 of CP7.	Robust quarterly business plan update involving the regional executive including group CFO and ORR reviews. Ongoing cost control, use of risk funding.

Delivery for the year ahead (2025/26)

Summary of our CP7 Year 2 targets

Our 2025/26 targets against our regulatory success measures and other key outcomes are set out below. We'll monitor delivery against these throughout the year through our business and executive level monitoring. We'll 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.

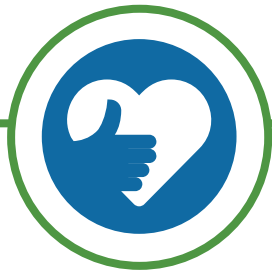
Table 2: Outcome targets for 2025/26.

Strategic theme	Measure	2025/26 target
Safety	Train Accident Risk Reduction	95 %
	Workforce Fatalities and Weighted Injuries	0.068
	Personal Accountability for Safety (PAFS)	123
Train service delivery	Passenger On Time ^{5 6}	60.6 %
	Passenger Cancellations ^{5 6}	3.8 %
	Freight Cancellations ⁵	1.6 %
	Freight Growth (net tonne km) ⁵	-1.1 %
Customers & communities	Passenger Satisfaction	7.80
Efficiency	Operational Expenditure Efficiency ⁵	£28m
	Capital Expenditure Efficiency ⁵	£39m
	Financial Performance Measure (FPM) – opex and income ⁵	£0m
	Financial Performance Measure (FPM) – renewals ⁵	£0m
Sustainable growth	Carbon Emissions - Scope 1 & 2 Reduction ⁵	-5 %
	Biodiversity Units Net Gain ⁵	1 %
People	Employee Engagement	53 %

⁵ Regulatory success measures with targets set in ORR's final determination.

⁶ ORR's 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 for Years 3-5 of CP7.

Key priorities for each strategic theme



Safety

Deliver our CP7 Health & Safety Strategy, including improvement to our assurance progress, a focus on safe behaviours and making sure we've the right environments and arrangements for people to do their best work.



Train service delivery

Deliver the commitments in our regional performance improvement plan, with a focus on implementing a performance-driving culture which is delivering the basics consistently well. We'll also focus on making sure we manage timetable changes well, and establishing a new Industry Programme Board to oversee performance improvement.



Customers & communities

We'll be a good neighbour, completing each lineside neighbour service request within 20 days and continue to support community rail. We'll improve passenger experience at our managed stations through information improvements.



Efficiency

Deliver a further £61m of efficiency, building on the successful delivery of efficiencies in 2024/25. We'll expand on the collaboration we've already built with industry partners in the region to deliver cross-industry efficiency opportunities in advance of the creation of Great British Railways.



Sustainable growth

We'll continue to implement initiatives to reduce our energy consumption and to reduce our carbon emissions. We'll make progress on our weather resilience initiatives. We'll work closely with HS2 Limited as we continue to deliver works in support of the construction of new interchange station between HS2 and the Great Western main line at Old Oak Common.



People

We'll make sure we've the right environments and arrangements for people to do their best work. We'll support out front-line teams to deliver, and improve working together with colleagues.

Annex

A. CP7 outcomes

Table A1, below, sets out our planned key CP7 outcomes for each strategic theme, including our regulated CP7 success measures, as well as other key outcome measures. The table sets out our forecast CP7 exit position compared to our forecast in our previous Delivery Plan publication.

Table A1. CP7 outcomes by strategic theme.

Strategic theme	Measure	CP7 exit (March 2024 Delivery Plan)	CP7 exit (March 2025 Delivery Plan)
Safety	Train Accident Risk Reduction	95 %	95 %
	Workforce Fatalities and Weighted Injuries	0.064	0.064
	Personal Accountability for Safety (PAFS)	115	115
Train service delivery	Passenger On Time ^{7 8}	58.6 % - 65.0 %	58.6 % - 65.0 %
	Passenger Cancellations ^{7 8}	3.3 % - 4.3 %	3.3 % - 4.3 %
	Freight Cancellations ⁷	1.6 %	1.6 %
	Freight Growth (net tonne km) ⁷	6.9 %	3.9 %
	Composite Sustainability index (CSI) ⁷	-2.0 %	-1.9 %
Customers & communities	Passenger Satisfaction	7.86	7.86
Efficiency	Operational Expenditure Efficiency ⁷	£175m	£176m
	Capital Expenditure Efficiency ⁷	£319m	£319m
	Financial Performance Measure (FPM) – opex and income ⁷	£0m	£0m
	Financial Performance Measure (FPM) – renewals ⁷	£0m	£0m
Sustainable growth	Carbon Emissions - Scope 1 & 2 Reduction ⁷	-21 %	-21 %
	Biodiversity Units Net Gain ⁷	4 %	4 %
People	Employee Engagement	51 %	55 %

⁷ Regulatory success measures with targets set in ORR's final determination.

⁸ ORR's 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 for Years 3-5 of CP7.

B. CP7 financial summary

CP7 expenditure

Table B1. CP7 expenditure (March 2025 CP7 Delivery Plan update and March 2024 CP7 Delivery Plan).

£m in cash prices	March 2025 Delivery Plan					
	2024/25 ⁹	2025/26	2026/27	2027/28	2028/29	CP7 Total
Operations and Support	187	197	178	176	175	912
Maintenance	360	354	344	332	330	1,720
Renewals (incl. other capital expenditure)	550	504	543	484	495	2,576
Input price risk funding	0	0	18	23	31	72
Industry costs and rates ¹⁰	42	50	57	58	60	267
Electricity for traction (EC4T)	72	58	57	57	57	301
Allocated expenditure ¹¹	193	186	234	252	334	1,199
Total expenditure (excl. EC4T)	1,332	1,291	1,375	1,325	1,423	6,747
Total expenditure	1,404	1,348	1,432	1,382	1,481	7,048

£m in cash prices	March 2024 Delivery Plan					
	2024/25	2025/26	2026/27	2027/28	2028/29	CP7 Total
Operations and Support	188	178	178	176	178	898
Maintenance	333	312	308	306	320	1,578
Renewals (incl. other capital expenditure)	527	542	539	483	464	2,556
Input price risk funding	0	7	36	77	93	213
Industry costs and rates ¹⁰	43	43	49	50	51	236
Electricity for traction (EC4T)	70	65	70	70	71	346
Allocated expenditure ¹¹	224	234	236	235	238	1,166
Total expenditure (excl. EC4T)	1,315	1,316	1,346	1,327	1,345	6,648
Total expenditure	1,385	1,381	1,416	1,397	1,415	6,995

⁹ CP7 Year 1 expenditure is based on a forecast as at February 2025.

¹⁰ Industry costs and rates include Cumulo Rates, ORR subscription, Rail Delivery Group subsidy.

¹¹ Central functions costs allocated to regions.

CP7 income

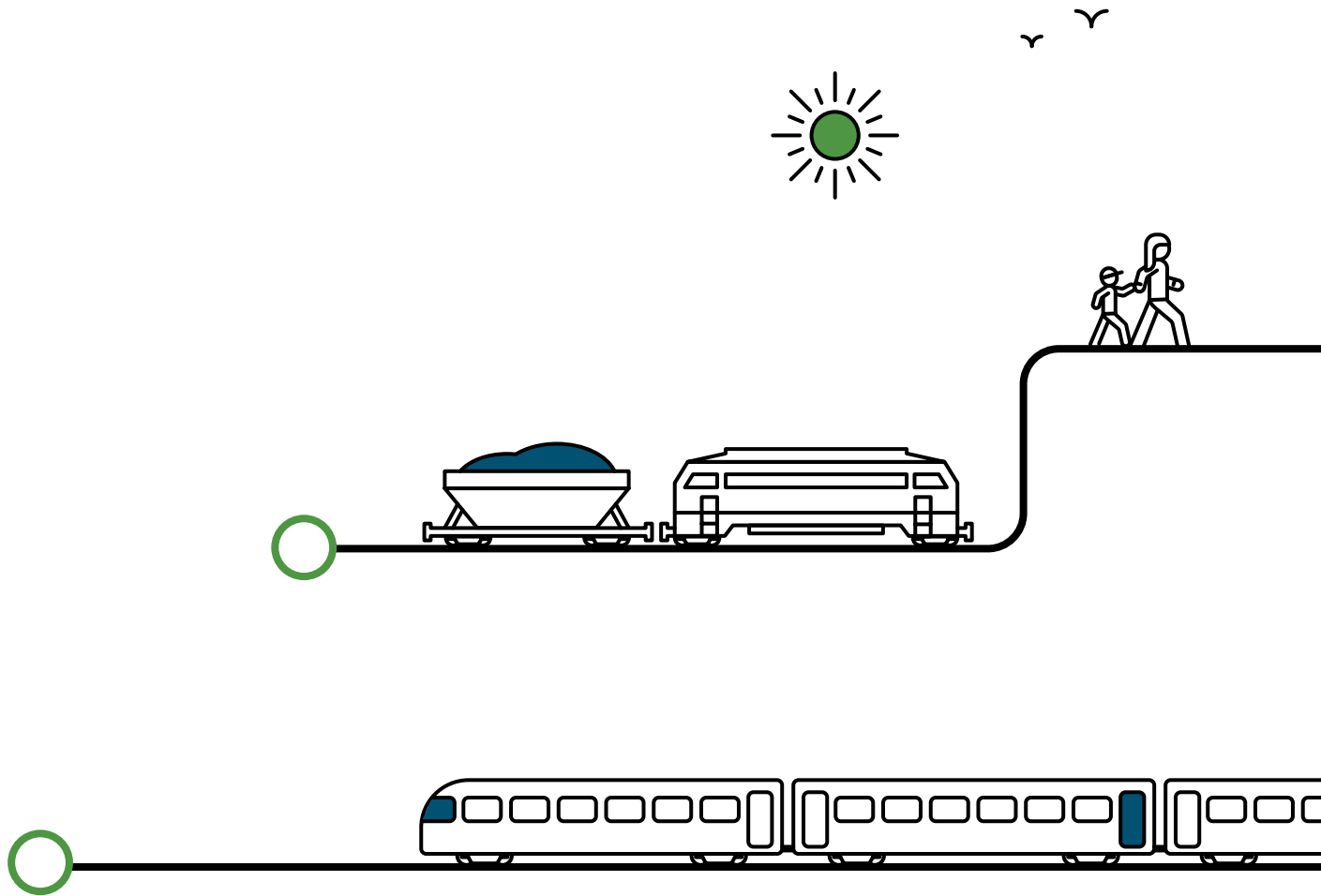
Table B2. CP7 income (March 2025 CP7 Delivery Plan update and March 2024 CP7 Delivery Plan)

£m in cash prices	March 2025 Delivery Plan					
	2024/25 ¹²	2025/26	2026/27	2027/28	2028/29	CP7 Total
Access charging income ¹³	-303	-306	-312	-331	-327	-1,580
Commercial and other income	-144	-154	-159	-168	-170	-795
Network Grant	-887	-848	-889	-811	-910	-4,345
Net Schedule 4 & 8	20	32	3	3	3	61
Allocated income	-18	-14	-19	-18	-19	-88
Electricity for traction (EC4T)	-72	-58	-57	-57	-57	-302
Total income (excl. EC4T)	-1,332	-1,291	-1,375	-1,325	-1,423	-6,746
Total income	-1,404	-1,348	-1,432	-1,382	-1,481	-7,048

£m in cash prices	March 2024 Delivery Plan					
	2024/25	2025/26	2026/27	2027/28	2028/29	CP7 Total
Access charging income ¹³	-306	-310	-312	-329	-324	-1,580
Commercial and other income	-144	-154	-158	-162	-166	-784
Network Grant	-880	-840	-864	-822	-841	-4,247
Net Schedule 4 & 8	19	3	3	3	3	31
Allocated income	-3	-16	-16	-16	-17	-67
Electricity for traction (EC4T)	-70	-65	-70	-70	-71	-346
Total income (excl. EC4T)	-1,315	-1,316	-1,346	-1,327	-1,345	-6,648
Total income	-1,385	-1,381	-1,416	-1,397	-1,415	-6,995

¹² CP7 Year 1 income is based on a forecast as at February 2025.

¹³ Charging income includes Train and Freight Operator Fixed Track Access, Variable Track Access and Electricity Access Usage Charge.

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