

CP7 passenger train performance reset

National overview of Network Rail's performance trajectories for 2026/27 to 2028/29

11 December 2025

Contents

Executive summary	3
A summary of our September 2025 plans and forecasts	4
Next steps	7
Introduction.....	7
Our train performance objectives.....	7
Part A - Our approach and response to ORR's consultation challenges.....	8
Our planning and modelling approach.....	9
How we have tackled ORR's consultation challenges	9
Summary of our response to ORR/Independent Reporter challenges.....	10
How we have captured wider changes impacting our plans and forecasts.....	14
Part B - Current performance and forecasts for 2026/27 to 2028/29	16
Recent performance trends.....	16
CP7 performance forecasts.....	19
Part C – Summary of CP7 performance plans	21
CP7 performance drivers.....	21
Potential risks and opportunities	30
Conclusion	32

Executive summary

Due to uncertainty about future industry performance at the time of the CP7 Final Determination, ORR committed to reset passenger performance and Schedule 8 parameters for years 3-5 of CP7.

The CP7 passenger performance trajectories in ORR's Final Determination included 'stretch' – further improvement from undefined sources. The reality of risks, headwinds and uncertainty has resulted in some underperformance against those stretching targets in the first year of CP7, and year 2 performance to date being behind target. This reset is an opportunity to set appropriate targets, balancing ambition with realism as required by DfT's HLOS. The Scotland HLOS set a specific target for the Scotland Train Performance Measure which is not in the scope of the reset.

To inform ORR's decisions in the reset, we submitted our initial performance plans and forecasts, developed jointly with train operators, in May 2025. ORR accepted these forecasts as a credible basis for consultation on regulatory target baselines for years 3-5 of CP7, with some specific challenges for review and refinement in our plans. We welcomed ORR's evidence-based approach to its consultation and decisions throughout the reset process. ORR and the Independent Reporter's approach to providing challenge on the bottom-up assumptions in our plans has enabled us to practically address these challenges while ensuring our updated forecasts have clear line of sight to assumptions and evidence. This document provides a national summary of our updated performance plans and forecasts and how we have responded to the challenges in ORR's consultation. We have also provided detailed supporting regional packs to ORR.

Reflecting our stakeholder priorities, Network Rail has a relentless focus on delivering and seeking to improve train performance each and every day, using detailed plans, monitoring, governance, incentives, industry engagement, and robust performance management processes. However, we are also acutely aware of the challenges of improving train performance within a fixed and very tight funding envelope, while also balancing other objectives around capacity, cost, and safety.

The building blocks to enable a step-change in performance – such as multi-year industry commitments, robust base operating plans with aligned timetable and resource plans, addressing people shortages, and establishing Great British Railways (GBR) as the directing mind – are not yet in place. Ahead of these building blocks being addressed, the performance levers that we can influence tend to have a smaller impact on performance, leading to relatively minor movements overall. Meanwhile, performance continues to be dominated by the variability of external factors including weather and trespass. We have made several changes to our bottom-up plans in response to ORR's challenges, and our forecasts remain based on robust planning and evidence. The collective impact of these changes from our May submission to ORR is:

- T-3 is expected to improve by 0.3 percentage points from year one, to 84.6 % at the end of CP7, level with our May submission.
- Cancellations is expected to improve by 0.4 percentage points from year one, to 3.7 % at the end of CP7, compared to 3.8 % in our May submission.
- Network Rail delay minutes per 1,000 train miles is forecast to remain level with year one, at 32.3 at the end of CP7, compared to 32.6 in our May submission.

Our plans and forecasts are ambitious but realistic given the headwinds and constraints the industry faces to improve performance and respond positively to ORR's constructive challenge. Our ambition is absolutely to improve industry performance more than this during CP7, but we cannot do this alone.

The difficulties in accurately predicting performance make setting targets and regulatory incentives challenging; but the consequences of inappropriate targets make evidence-based decisions critical, particularly noting the risk of unrealistic Schedule 8 benchmarks adding more

financial pressure to our already tight funding envelope. As GBR is expected to stand up during CP7, GBR will effectively inherit the targets determined by ORR through this process.

How Network Rail has addressed ORR's consultation challenges

ORR and the Independent Reporter reviewed relevant evidence and assumptions to assess if our May 2025 plans were ambitious yet realistic, rather than setting an ambiguous top-down stretch target. This has enabled us to thoroughly review our plans with a focus on ORR's consultation challenges, through continued engagement with train operators, and take practical steps to refine our forecasts.

As outlined above, the levers we can currently influence, within a tight and fixed funding envelope, can generally only drive minor changes in performance without fundamental improvement to the base operating plan. We have made several changes in response to ORR's challenges and the wider evolution of our performance plans. The collective impact of these on our forecasts compared to our May submission is positive overall, albeit relatively small.

Since our May submissions, changes to T-3 and Network Rail delay forecasts have been driven by these key areas:

- Updates to the methodology for forecasting the impact of the East Coast Mainline Timetable change, including using T-3 timetable model outputs and applying a geographic rather than operator-based weighting, with a **+0.4 percentage point impact** on Eastern's year five forecast.
- Refining forecasts for improvement opportunity related to severe weather, trespass, and vandalism in NW&C, with a **+0.2 percentage point impact** over the control period.
- Updates to our national models to incorporate recommended improvements with a **-0.03 percentage point impact** on our England & Wales level T-3 trajectories
- Eastern's year 2 performance has not recovered at the expected rate, and additional risk has materialised. Eastern has updated the year 2 T-3 forecast, which was considered ambitious in our May submissions, with a -1.0 percentage point change. Eastern has committed to recovery of 0.7 percentage points over the remainder of CP7 to reflect an ongoing review and update of improvement plans. This has a **-0.3 percentage point impact** on Eastern's year five forecast.
- Correction of an over-estimate of performance improvement for Anglia asset and externals schemes, identified by the independent reporter as ambitious, with an **approximately -0.2 percentage point impact** on Eastern's year five forecast.

Changes to cancellations forecasts since May have mainly been driven by:

- Updated forecasts, from engagement with GTR, of the project 94 train crew scheme which (with some smaller impacting enhancement schemes) has resulted in a **-0.2 percentage point impact** in Southern by year five.
- Updated forecasts, from engagement with GWR, on fleet introduction and train crew improvement schemes. Together with refined phasing on OLE improvements, this has driven a **-0.4 percentage point impact** in Wales & Western over CP7.

A summary of our September 2025 plans and forecasts

Our performance plans have been developed through extensive and detailed regional analysis and planning including regular engagement with train operators, cross-network reviews and comparison, robust challenge and assurance by System Operator, external assurance, and ongoing engagement with ORR and the Independent Reporter. Our plans and forecasts are owned by each region and have been signed-off by each Regional Managing Director.

At a network level our latest forecasts show that CP7 exit is expected to improve from year one performance for T-3, cancellations and STPM, and remain level for Network Rail delay per 1,000 train miles, despite the significant risks and headwinds. The East Coast Main Line timetable change in December 2025 is the single biggest performance driver, causing a significant dip in year three, which our plans then forecast to recover by the end of the CP7.

Table 1: September 2025 performance forecast trajectories

Network Rail	Actuals		Forecast Y2	Reset forecast trajectories		
	CP6 Exit	Y1		Y3	Y4	Y5
Time to 3	84.7%	84.3%	84.3%	83.5%	83.9%	84.6%
STPM (Scotland)	89.9%	89.7%	90.7%	91.6%	92.5%	92.5%
Cancellations	3.8%	4.1%	3.8%	3.8%	3.7%	3.7%
NR Delay/1000mi	33.2	32.3	32.8	34.9	33.8	32.3

The net impact of our plans is a combination of risks, mitigations, opportunities, improvement schemes and continuous performance management activity. There are several underlying factors driving this, with performance improvement schemes holding the increasing risks and headwinds steady and some modest improvement forecast beyond this. Each area of our plans is summarised below.

The East Coast Mainline (ECML) timetable change (December 2025). Extensive modelling and testing projects that the timetable change will reduce T-3 in year three by 4.7 % in Eastern and 0.1 % in Southern compared to our forecast without the change. While this gradually improves due to mitigation and other improvement schemes countering the overall impact, including East Coast digital signalling, year five T-3 and Network Rail delay will still be worse than they would be without the timetable change. We have refined our forecasting approach based on findings from the Independent Reporter review. Based on our updated forecasts, the GB-level year five T-3 forecast would be 0.4 % better without the impact of the ECML timetable change. There are clear benefits of the additional services for passengers and the economy, and we have developed robust plans in preparation for the change, but fundamental features of the timetable such as reduced headroom between trains and increased pressure on dwell times cannot be fully mitigated by preparation or adjusted resource plans.

There are also other timetable changes and improvements in our plans, including specific timetable changes including the SWR and Wessex timetable, and ongoing refinement of the timetable between regions and operators. We have amended our plans to expect benefits from the SWR and Wessex timetable change one year later (from December 2027) to enable proper operator preparation and a successful introduction. These schemes will provide a small performance improvement in CP7, but this is outweighed by the ECML impact. More fundamental change to timetable and resource plans is needed to support a step change in performance.

Asset reliability is expected to decline through CP7 with a decrease in average asset remaining life and corresponding increase in service affecting failures, resulting from the level of activity funded in CP7 reflected in ORR's Final Determination and further pressure from the impact of more severe weather. We are managing the impact of this by focusing investment on the most critical asset types and lines of route, minimising the performance impact, but there will be a very small negative impact by the end of CP7.

Increasing risk and frequency of severe weather, which impacts on-the-day operations and the condition of our assets over the short, medium, and long term. This is in addition to the normal seasonal weather challenges. While the long-term projection shows increasing risk, the more material risk in CP7 is the level of variability from external factors, particularly weather. Analysis of weather-related delay over the past 19 years shows a wide range, with a standard deviation of almost 500,000 delay minutes, c.34 % of the average. In that time, across England & Wales, weather impacts on punctuality were within 10 % of the average in only two years, and one year

in Scotland. The fluctuations are large and unpredictable year to year. We have assumed a base position in our plans and forecasts and expect significant variances to expectation to be managed within ORR's Holding to Account approach, or any lasting impacts to be progressed through the Managing Change Policy.

Weather resilience and seasonal preparedness. Our plans include significant investment in weather resilience and improvements to operational procedures to continue to operate trains safely during disruption. However, the proportion of assets renewed in any control period is very small so, with the overall age of assets increasing, many of our assets remain vulnerable to severe weather. Our plans include schemes to improve seasonal preparedness but as described above, weather is the most naturally variable performance driver. Our plans broadly hold CP7 risk steady.

The increasing trend of external incidents is expected to continue to grow in both frequency and impact. Analysis on suicide rates has shown that rail's share of the total number of suicides has not materially changed, but national suicide rates (not only those on the railway) have been increasing since 2007, and in 2023 (the most recent year national statistics are available) the total rate of suicide was the highest since 1999. The number of people in contact with mental health services in England increased from 1.6m in January 2022 to 2.1m in May 2025, a 31 % increase, indicating the wider societal trends that can impact external incidents. The increasing impact of these incidents is partly as a result of changing industry and societal attitudes to risk leading to a greater propensity to stop services when incidents occur.

Preventing and responding to external incidents. Trespass mitigation and suicide prevention are well established in our plans. Regions plan to extend these activities based on identification of hot spots and improved interventions. There is a slight improvement in external performance impacts expected overall, and this remains a highly variable factor impacting performance. Nationally, in response to the growing risk, we have launched a workstream to better understand the root causes and provide innovative mitigation approaches. These are not yet developed enough to include in our plans, but we aim to find opportunities, with industry, to offset the growing risk.

Train crew challenges which are the largest contributor to network cancellations over recent years and also exacerbate the punctuality and cancellations impact of other incidents, are expected to continue. Some firm commitments from operators to addressing these are included in our plans, but it will take some time for the benefits of additional recruitment to drive improvement, with gradual improvement expected to be seen from year 3-5. This is a key area of focus for Network Performance Board and the Train Crew Board with a plan being developed to enable a sustainable reduction in crew-caused cancellations.

Passenger and freight demand is forecast to increase, creating risk for dwell times at stations and providing less flexibility to manage disruptive incidents. Specific timetable improvements in regions' plans will help to mitigate the performance impact, as well as continuous timetable improvement activity to respond to emerging risks.

Fleet reliability is a significant contributor to both delay and cancellations, due to ageing rolling stock. There are some committed fleet renewals schemes in plans, which evidence shows is likely to cause a short-term dip in performance but will then provide overall improvement. However, there are still several areas where fleet reliability is expected to continue to decline.

Our forecasts are ambitious given the scale of risks and headwinds the industry is facing. In building our plans, we have explored opportunities for improvement across all performance levers and responded robustly to constructive challenge from ORR and the Independent Reporter review.

While there are further opportunities for performance improvement, the commitments needed to enable this are not in place or not expected within CP7. We are committed to the recent Network Performance Board (NPB) remit to explore if and how 90 % T-3 and 2 % cancellations could be

achieved by industry. We particularly expect opportunities from fundamental timetable and resource improvements if and when there is cross-industry commitment to this and given the time to implement the necessary changes. There are also opportunities from reform including integrated train service and infrastructure planning and delivery. Elements of this is already in our plans through smaller timetable schemes but work under NPB will explore how removal of blockers can be accelerated to enable a more material step-change in performance under the directing mind of GBR.

Next steps

We have been supportive of ORR's evidence-based approach throughout the reset so far. ORR's consultation, based on our bottom-up, evidence-based plans gave constructive challenge that we could practically address as we updated our plans. Given the importance of setting appropriate targets and benchmarks, we welcome ORR's continued focus on evidence-based decisions. We are confident that we have addressed the challenges in ORR's consultation robustly to inform the forecasts in this document and supporting regional packs.

Introduction

Due to uncertainty in industry performance plans at the time of ORR's CP7 Final Determination, ORR committed to reset passenger train performance and Schedule 8 parameters for years 3-5 of CP7. ORR has already determined new regulatory success metrics – Time to 3 (England & Wales regions only), Cancellations and Network Rail attributed delay per 1,000 train miles – and will now make final decisions on regulatory targets and incentives, considering feedback on the public consultation launched in July. Transport Scotland set an ambitious Scotland Train Performance Measure target in the CP7 HLOS which is not in the scope of this reset.

We submitted our initial performance plans, forecasts and supporting evidence to ORR in May 2025 to inform its consultation on regional targets. ORR and the Independent Reporter reviewed our submissions and ORR found that our forecasts were a credible basis for consultation. ORR's consultation identified some areas of our plans that should be reviewed, while recognising plans may continue to evolve more widely. We support the evidence-based approach to ORR's reset decisions so far, and this response provides evidence on our updated plans to enable that approach to continue through to ORR's final decisions.

We have closely engaged with train operators as we have updated our plans and forecasts and respond to the consultation challenges. However, as we described in our May submission to ORR, many operators are not in a position to make commitments on train performance beyond the current year due to their annual planning cycles with funders. This, combined with wider uncertainty in performance forecasting and ongoing development of our plans to respond to risks and opportunities, means that we expect plans and forecasts to continue to evolve through the remainder of CP7. ORR's Holding to Account policy describes ORR's proportionate and risk-based approach to monitoring, particularly recognising there may be fluctuations around point targets, while the Managing Change policy provides a mechanism to adjust targets should there be a material change in circumstances later in CP7.

This document summarises our updated national plans and forecasts and how we have addressed ORR and the Independent Reporter's findings. Each region is also providing a more detailed view of their latest plans and forecasts, and how these have changed as a result of ORR's consultation challenges and wider development of plans. There are some examples from region plans throughout this document, with regional submissions providing further detail.

Our train performance objectives

Train performance is consistently a top priority for passengers. Improvement is central to industry ambitions and Network Rail's objectives. We have a relentless focus on delivering and seeking to improve train performance each and every day. Our ambition is demonstrated through our thorough, bottom-up planning approach which tackles all the possible levers to improve performance as far as possible. It is also evident in established internal and industry processes. However, we also acknowledge the challenges of improving train performance within a fixed and very tight funding envelope, while balancing other objectives around capacity, cost, and safety.

For CP7, DfT's HLOS called on the industry to maintain a strong and resolute focus on punctuality and reliability, and to set ambitious yet realistic Network Rail targets that align with operator plans and provide value for money. Historically, the industry's ambition on train performance has led to ambitious improvement targets that have not properly accounted for the risks and challenges that would need to be overcome. Despite multiple years of substantial investment across track and train, improving asset reliability, continuous improvement in performance management and ambitious, top-down targets, step-changes in industry performance have not materialised. The Schedule 8 costs associated with setting targets at the wrong level exacerbate performance challenges by diverting funding from core business plans. As this is a mid-control period reset, stakeholders must be mindful that there will be no corresponding re-assessment of Network Rail's funding.

Under the Network Performance Board (NPB), the industry is exploring the feasibility and required action to deliver further improvement to reach indicated funder ambitions of 90 % T-3 and 2 % cancellations, which would be a very substantial improvement from current levels. Noting this will require significant whole-industry action, this work will seek to set out the real, practical steps industry can take, the blockers to be addressed and the trade-offs that would have to be made. Network Rail is fully engaged in this work. If and when further evidence is available on actions that will support this improvement, we will reflect this in our bottom-up plans and engage with ORR and stakeholders on the impacts.

Part A - Our approach and response to ORR's consultation challenges

Our approach to updating our performance plans and forecasts is built on the principles below, which have been consistent throughout our plans for the reset:

- **Ambitious yet realistic**, by comprehensively exploring all opportunities for improvement alongside risks and headwinds and basing forecasts on evidenced, bottom-up plans. This means our bottom-up forecasts only include improvement schemes with industry commitment or a high level of certainty, while also setting out further opportunities and risks that we cannot deliver or mitigate alone. This principle is core to how we have tackled ORR's consultation challenges. We have conducted a thorough, bottom-up review of schemes and risks in our plans.
- **Whole-industry** as far as possible, informed by meaningful collaboration and engagement with train operators. We have engaged with operators to understand broader changes that should be reflected in plans and also worked with them on relevant changes to respond to ORR's consultation challenges.
- **Thoroughly assured** and challenged through all stages of plan and forecast development, to strengthen confidence in the assumptions and outcomes. We have built on previous assurance and carried out cross-region reviews, particularly where ORR's consultation challenges and the Independent Reporter's findings were relevant across multiple regions.
- **Strong governance and clear accountability**, whereby our plans are reviewed and approved through our robust internal governance framework, including executive-level ownership, and alignment with our strategic objectives and regulatory requirements. Our

Executive Leadership Team has closely engaged their respective teams on updates to their plans and all of our regional forecast submissions are owned and signed off by region managing directors.

Our planning and modelling approach

Our performance forecasts are based on a level of change against a baseline year (P10 2023/24 to P09 2024/25, inclusive). Working with train operators and teams across Network Rail, our regions have identified performance improvement schemes and risks to inform their plans. Region submissions describe their stakeholder engagement throughout this process, making use of existing engagement forums and seeking dedicated input to their updated plans. We have also sought NPB support for longer-term commitments on performance plans, but despite this extensive engagement, many TOCs are not in a position to provide firm commitments beyond the coming year. Using available evidence, aligned analysis with TOCs and expert judgement, regions have forecast the associated change in delay and cancellations and the likelihood of the risks and schemes in their plans going ahead.

Our national model uses these inputs to model 250 different scenarios through a Monte-Carlo simulation, taking account of how the inputs may interact with each other to provide an overall performance outcome for each scenario in different years. From those scenarios, we can forecast performance at different levels of likelihood. Our submissions are based on a P50 likelihood, as was the case for our CP7 business plans, with an overlay to factor in the detailed modelling for the impact of ECML timetable change and East Coast digital signalling works.

Given the uncertainty in performance forecasting, it would be imprudent to build more risk into our plans by setting targets at a lower confidence level unless this is supported by robust evidence. It is also important to set regulatory incentives to be 'net neutral', as intended by the Schedule 8 regime and the assumption in our funding settlement. While our process is robust, and we have updated our modelling approach to address challenges set in ORR's consultation and the Independent Reporter's findings, there are inherent challenges to forecasting performance and continuing uncertainty from external factors.

How we have tackled ORR's consultation challenges

ORR's consultation set out challenges for us to consider as we updated our plans in response to the consultation. These were based on both ORR and the independent reporter's review of our plans and evidence provided in May 2025. The approach to this review aligned with our bottom-up planning approach and gave us a clear steer on the schemes and risks in our plans that should be reviewed. We have systematically reviewed our plans against each of these findings. A summary of our review, action and impact on forecasts is below and each region is submitting further supporting evidence to ORR. We also summarise how we have captured wider changes impacting our plans and forecasts.

We have considered all the recommendations and, where appropriate, we have made updates to our plans. In line with the evidence-based approach ORR has taken through the reset so far, we are keen to support ORR's final decisions in relation to these challenges. If ORR's assessment is that recommendations should be addressed differently in our plans, we will provide updated analysis to support its decision-making. This will support continued line of sight between bottom-up assumptions and regulatory targets providing clarity for future monitoring and change.

Summary of our response to ORR/Independent Reporter challenges

Region / function	Consultation challenge	How we have reviewed our plans	Action taken and impact since May submission
System Operator	Make improvements to the national punctuality and cancellations models to avoid potential input errors or over / under-estimation of performance impacts and also consider the use of a source control system to manage model code and develop automated manual tests.	We have reviewed model inputs (schemes and risks), the model code and the model outputs (forecasts) in line with findings from the Independent Reporter. We have also sought external assurance on our models and outputs.	We have updated our national models to incorporate recommended improvements and also added warning indicators to flag issues with model inputs (schemes and risks) that may have led to over / under-estimation of performance impacts. This has had a -0.03 percentage point impact on our England & Wales level T-3 trajectories, although some regional trajectories were greater than others (particularly NW&C and W&W). We have assured model code used in the final version of our models and will explore further controls for use in future modelling for CP8 planning.
All regions	Review schemes identified as 'deliverable' (i.e. not balanced between ambitious and realistic) in the independent reporter's findings.	Each region has thoroughly reviewed all schemes identified as deliverable and has also reviewed all schemes identified as 'ambitious' to ensure our plans and forecasts remain balanced.	Regions have tackled each scheme individually, and the detail of how they have each been updated is shown in the underlying model inputs provided to the Independent Reporter as well as region packs. The actions and impacts are mixed . Some schemes have been updated, and for some of these the impact has not been material enough to adjust our forecast. In other areas, we remain confident on our original assessment and that our plans are

			balanced overall, taking the full suite of schemes into account.
Eastern	Update the Anglia asset and externals scheme input sheets to correct for the error where the impact is applied to all cause categories.	We reviewed the specific scheme inputs related to this recommendation and identified the associated input error.	These schemes have been updated and reflected in our forecasts for T-3, passenger cancellations and NR delay / 1000 miles. This has had an approximately -0.2 percentage point impact on Eastern's year 5 T-3 forecast.
Eastern	Review assumptions and approach for the ECML Dec 25 timetable impact forecasting including good and average day impacts, geographic weighting, duration of the bathtub and using T-3 timetable model outputs.	Eastern has reviewed the methodology for ECML impact forecasts, taking each element of the Independent Reporter's findings in turn. This has included a review of principles and logic, as well as detailed calculation changes.	We have adjusted our forecasts to address most of the recommendations provided by the Independent Reporter. On further review, we remain confident in our original approach on two of the recommendations (the duration of the bathtub curve and calculation of good and average days) so we have not adjusted our approach for these areas but we have provided further, clearer explanation of our reasoning to ORR and the Independent Reporter. This has had a +0.4 percentage point impact on year 5 T-3.
Eastern	Consider the potential contribution from committed TOC schemes to cancellations as well as punctuality.	Eastern has reviewed all TOC schemes to ensure they are included, and that both the impact on cancellations and punctuality has been appropriately captured. We have also continued to engage with operators to identify any further schemes	No further schemes have been included for operators, and our review has confirmed that all relevant schemes are included. The cancellation impact is equivalent / proportionate to the punctuality impact where relevant. We have not amended our plans and there is no impact on our forecasts.

Eastern	Where there is a Performance Improvement Plan in place, consider adding assumptions to reflect committed schemes in full.	As noted in the Independent Reporter's findings based on our May submission, our year 2 exit forecast at that point was ambitious given the rate of improvement so far. We have reviewed the risks and speed of benefit realisation from our recovery plans to update our year 2 exit forecast.	Eastern's year 2 performance has not recovered at the expected rate, and additional risk has materialised. Eastern has updated the year 2 T-3 forecast, which was considered ambitious in our May submissions, with a -1.0 percentage point change. Eastern has committed to recovery of 0.7 percentage points over the remainder of CP7. This has a -0.3 percentage point impact on Eastern's year five forecast.
NW&C	Consider whether the base position should be adjusted to account for worse than typical delays/cancellations in the base period, particularly for the weather category.	NW&C has reviewed the base position, particularly for weather impacts, against the previous 10 years to assess whether an adjustment is required.	Further analysis has demonstrated that the base year weather was in line with a typical year over 10 years, however there was a greater impact than for other regions in the base year. NW&C has captured improvement opportunity against the baseline in schemes, particularly within the 'keeping trains safely moving' workstream, that was already included in our plans. This has had an approximately +0.1 percentage point impact on year 5 T-3
NW&C	Consider the inclusion of schemes not currently modelled that could make a material contribution to mitigating punctuality risks, in particular for Externals and Asset related causes. If schemes do not currently exist, then consider whether it is practical to implement any.	A review has been undertaken to assess the impact of the years 3-5 trespass and vandalism workbank, further assure NW&C's asset strategy with the Chief regional engineer, and compare the approach across other regions.	NW&C has adjusted their plans to include additional mitigation against risks in these areas providing a further T-3 benefit in years 3-5. This has had an approximately +0.1 percentage point impact on year 5 T-3.

NW&C	Ensure that assumed benefits from committed TOC schemes are fully reflected and are consistent with the latest proposals.	NW&C has reviewed their detailed plans against operator commitments	As a result of the review, we are confident that benefits from TOC schemes and overall outlook for TOC performance have been included, so no further change is required. There has been no change to plans and forecasts.
Southern	Where there is a Performance Improvement Plan in place, consider adding assumptions to reflect committed schemes in full.		The current On-Time MAA has dropped to 67.0 % which is materially below the CP7 Yr 2 target of 68.3 %. Whilst many of the initiatives in our recovery plans have been delivered, notable performance challenges have worked against these improvements. Our current Year-End ambition, and proposed CP7 Reset entry position, is for recovery efforts to improve performance to 67.4 % On Time (85.1 % T-3) by year-end. Relevant schemes continuing beyond year 2 are reflected in our plans.
Wales & Western	We recommend all schemes set to All Delay with a percentage input be reviewed to confirm the modelled impact is as intended	W&W has reviewed model input schemes.	All regional schemes were revised to reflect 'primary delay' instead of 'all delay'. This has had only a marginal (approximately 0.1-0.3) percentage point) impact on Wales & Western's forecast.
Wales & Western	Ensure that the assumptions for OLE scheme for cancellations are consistent with delays.	W&W has reviewed the assumed impact on cancellations against the punctuality scheme impacts	We have updated the phasing of the cancellations impact to be in line with the punctuality impacts. This does not impact the net change from this scheme but the cancellations improvement

			phasing over years 3-5 has been adjusted.
Wales & Western	Consider whether the base position should be adjusted to account for worse than typical cancellations in the base period, particularly for weather category.	The basis of the weather scheme forecasting has been reviewed.	We have concluded that the baseline year had higher impact than a typical year, but averaging delay across years was not found to be a reasonable alternative given the high level of variability. No change has been made.
Scotland	Consider whether areas of the plan assumed to contribute to STPM could also contribute to cancellations.	Scotland region has reviewed whether cancellations could be materially impacted by any schemes within the STPM improvement plan	Scotland's existing emphasis on minimising cancellations means these schemes are unlikely to have a material impact on an already low level of cancellations. We have not changed plans as a result and there is no impact on forecasts.

How we have captured wider changes impacting our plans and forecasts

Region / function	Wider change	Action taken and impact
Southern	South Western Railway timetable change is now expected to take place in December 2027 instead of December 2026.	Since our May submissions, SWR has moved into public ownership and the now integrated business unit of Wessex and SWR is beginning to shape both track and train plans to maximise the opportunities from integration. The SWR timetable change presents opportunities for improvements across customer experience, revenue, and performance. The full proposition for the timetable change is still in development and does not yet have Government sign-off. To make sure the change is a success, adequate preparation is needed. We have updated our assumption and are now forecasting performance benefits from December 2027, however given the uncertainty on the structure and sign-off, there may be a change in circumstances later in CP7 that impacts this assumption. If this is the case, we would progress this through the Managing Change Policy. This change does not

		impact the year 5 exit position but impacts the phasing of forecast T-3 and delay changes in years 3-5.
Southern	GTR has provided updated assumptions on contributions to cancellations improvement	Updated forecasts, from engagement with GTR, of the project 94 train crew scheme has (with some smaller impacting enhancement schemes) resulted in a -0.2 percentage point impact in the Southern year 5 cancellations forecast.
Southern	Updated passenger demand forecasts have been used to inform our updated plans and forecasts	All regions have reviewed the latest passenger demand forecasts against previous plans and assessed whether there are material changes that need to be reflected. The most notable impact is in Southern, where passenger demand increases are now forecast to be later than originally assumed. This does not impact our year 5 exit forecast but impacts the phasing of forecast T-3 and delay changes in years 3-5.
Wales & Western	GWR has provided updated assumptions on contributions to cancellations improvement	W&W have reviewed assumptions with GWR to ensure our assumptions remain aligned with their most recent plans. GWR has committed to further improvement on train crew and fleet cancellations than originally provided, with an approximately -0.4 percentage point impact on year 5 exit forecast.
Wales & Western	There is emerging uncertainty on service decisions around Network North, open access and regional funding (e.g. new stations)	Impact from new operators (LUMO, Go-Op, WSMR) and their effects on existing services was captured in an 'Additional Operator Services' scheme. This was removed for round 2 due to uncertainty. This has had a less than +0.1 percentage impact over CP7.

Part B - Current performance and forecasts for 2026/27 to 2028/29

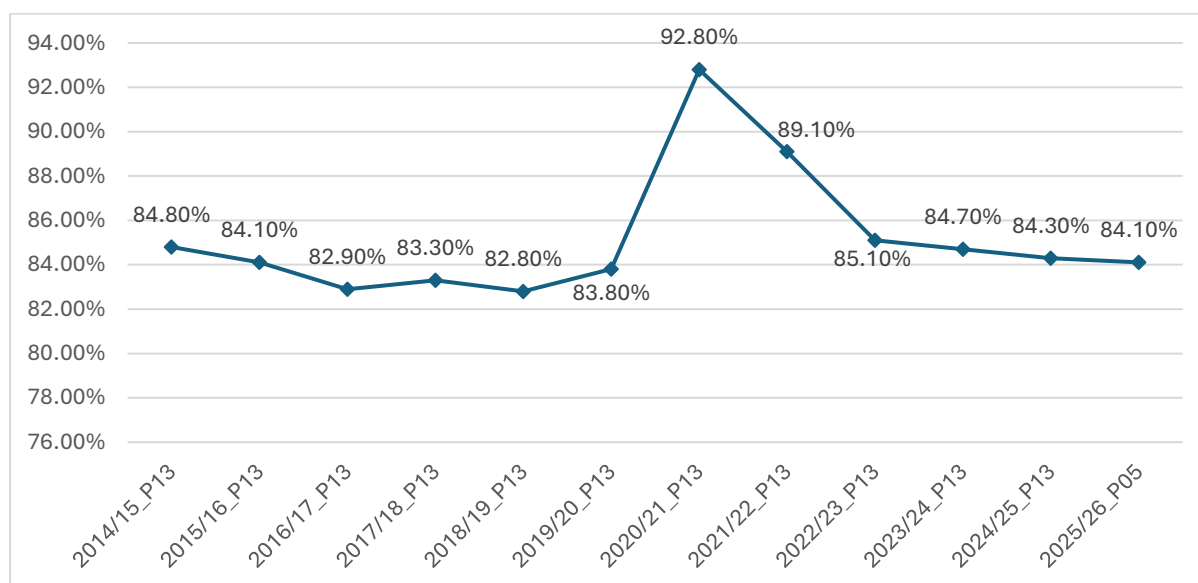
Recent performance trends

To build performance plans that address performance challenges, we first need to understand what is driving recent performance trends.

Punctuality: T-3 and Delay Minutes

At period 5 of CP7 year 2, GB level Time to 3 performance is 84.1 % (MAA). T-3 has gradually declined since the artificially high level during the Covid-19 pandemic, but remains higher than pre-covid levels, as illustrated below.

Figure 1: T-3 Moving Annual Average by financial year MAA (up to P5 of 2025/26)



Network Rail attributed delay minutes per 1,000 train miles gradually improved over the first year of CP7, reducing to 32.3 (MAA), but this has increased to 32.9 (MAA) at period 5 of year two.

Figure 2: Network Rail Delay per 1000 miles by financial year MAA (up to P5 of 2025/26)

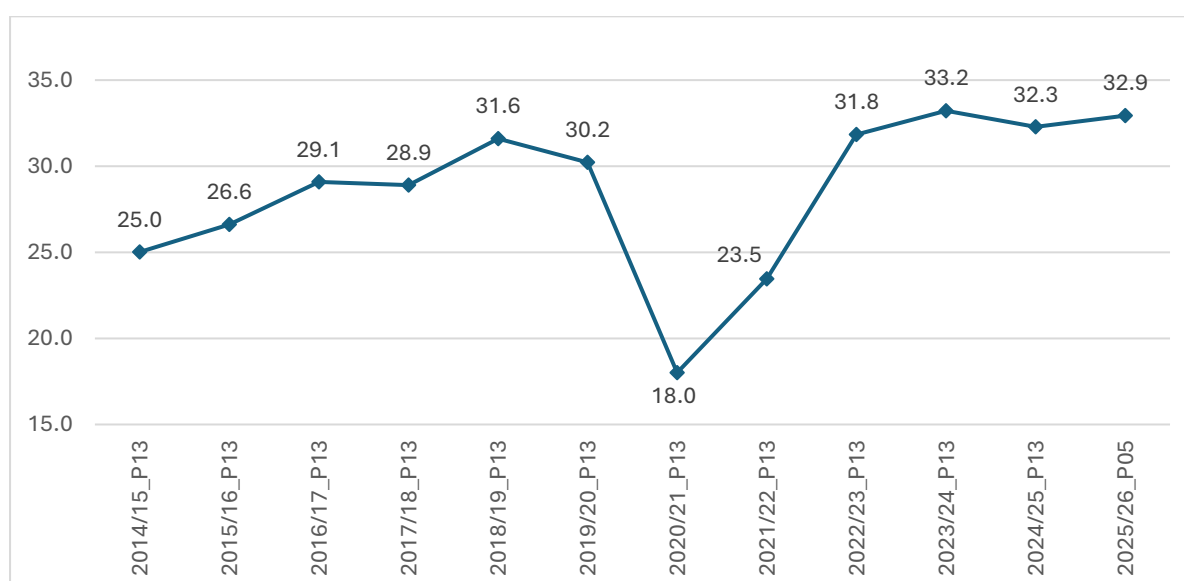
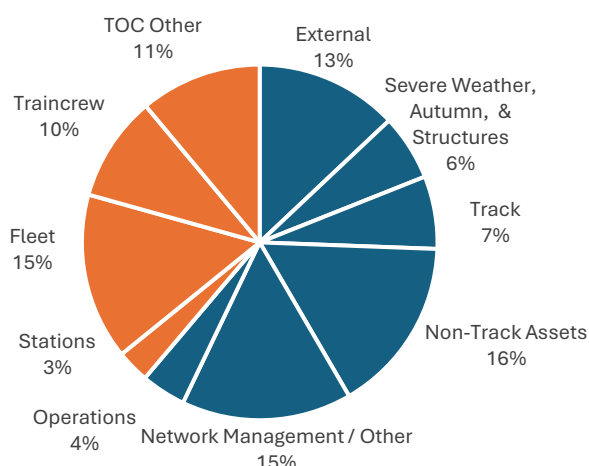


Figure 3: Attribution of delay by cause in 2024/25



At period 5 of CP7 year two, T-3 MAA is behind target. The biggest underperformance was seen in period 2 and period 4 with performance challenges related to heat waves. The year has seen the warmest and one of the driest springs on record, followed by the warmest summer on record. The heat has been consistent rather than short periods of exceptional heat and has driven an increase in asset failures, though these have reduced with each heat event, and have been less than recent years. External factors have remained high throughout – initially, in the early periods, lineside and external fires increased (worsened by the dry, warm conditions) with fatalities and trespass showing greater impact in more recent periods. Significant network events included a derailment of an empty train near Bletchley in period 4, which was attributed to signaller error and resulted in 21,000 minutes of delay for passenger operators. Given the importance of the route the decision was taken to keep services operational around the incident to the benefit of passengers, meaning T-3 and Network Rail delay were both impacted. Later in period 5, Storm Floris brought strong winds, particularly to Scotland and northern England.

Reliability: Cancellations

At period 5 of CP7 year 2, total cancellations are at 4.0 % (MAA), compared to 4.1 % at the end of year one.

Figure 4: Cancellations moving annual average by financial year MAA (up to P5 of 2025/26)

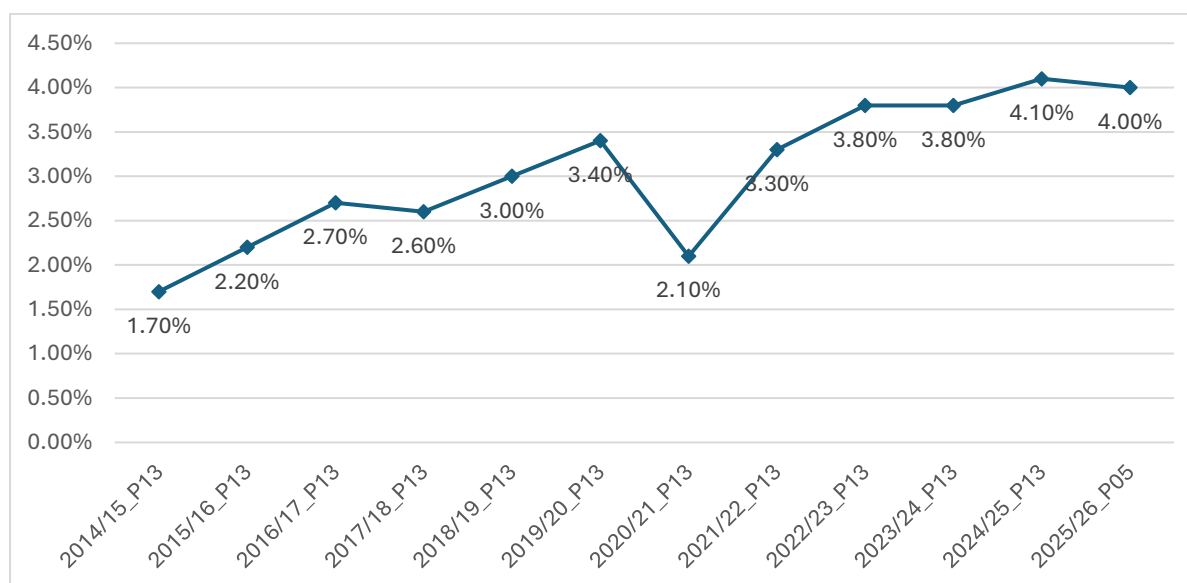
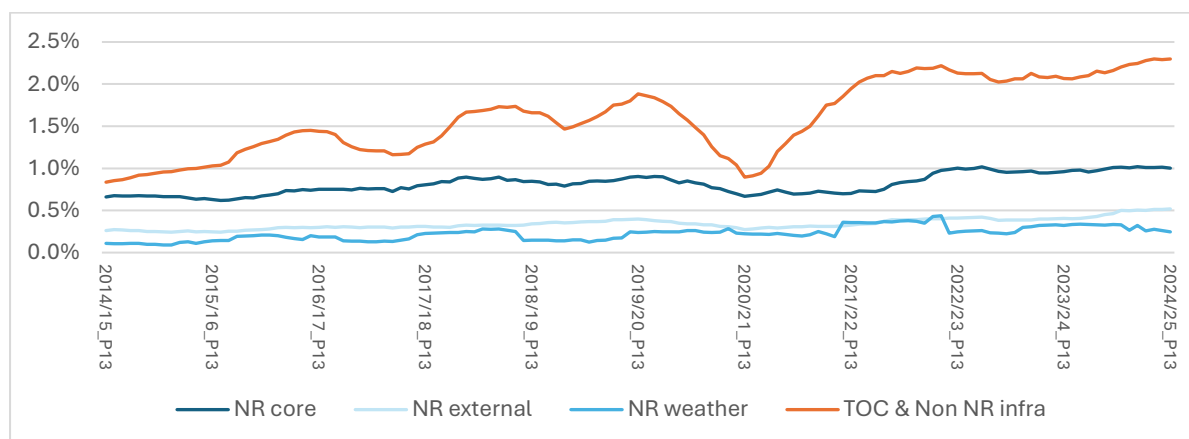


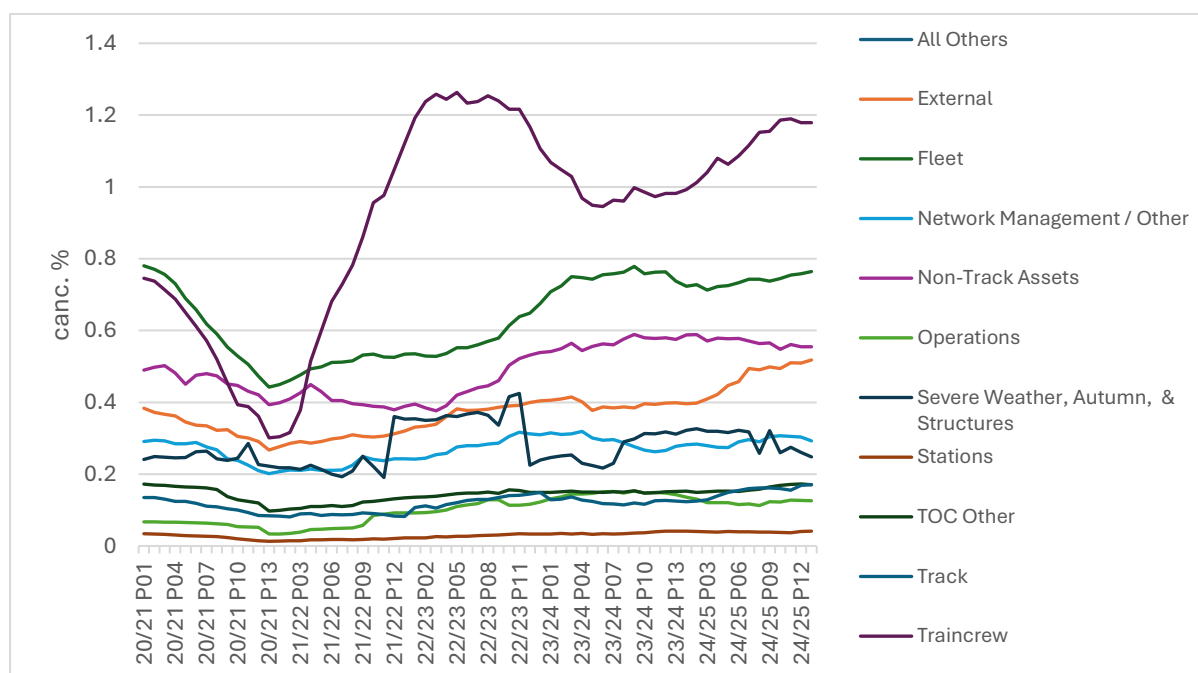
Figure 5: Cancellations by attributed cause, rolling moving annual average



Train crew remains the largest contributor to cancellations so far in year two of CP7, at 1.1 % MAA in period 5, and the main contributor to the increase in recent years, compared to 0.4 % in 2017/18 (best of the last 10 years) and 0.8 % in 2019/20 (pre-pandemic). Train-crew caused cancellations have been more stable in year two so far than recent years, with operator initiatives supporting this, though many of the permanent solutions needed to resolve these challenges are not yet in place. Fleet is the second largest contributor at 0.8 %.

Non-track assets (0.6 %) remain the biggest cause of Network Rail attributed cancellations followed by externals (0.5 %). Increased asset failures due to the heat have been a key factor in Network Rail attributed cancellations, although asset performance has been better than previous comparable years. However, there is a continued risk to assets related to Soil Moisture Deficit, the index for which has reached its lowest point on record, and at an earlier stage in the year than is usual. This brings risks to track geometry and embankment stability both during the dry period, and once again when rainfall rehydrates the sub-soils. The impacts have so far been relatively limited with services on the Fen Line and West of England mainline reduced, though c2c have applied a timetable reduction during period 6.

Figure 6: Cancellations moving annual average trend by cause



CP7 performance forecasts

The plans our regions have developed drive bottom-up forecasts. Their forecasts and the detail behind these, including the waterfalls that illustrate the net impact of the performance headwinds and improvement schemes.

As the table below shows, at an aggregated GB level (and for England & Wales and Scotland separately), compared to CP7 year one performance, we are forecasting improvement for T-3 and cancellations, and to remain level with year one for Network Rail delay per 1,000 miles. Our forecasts show greater improvement overall compared to our May submissions as a result of our review of plans and responding to ORR's consultation challenges. This improvement is driven by changes across our plans including improved operator commitments, an improved forecast for the year 5 impact of the East Coast Mainline Timetable change and refinement of a number of asset and external schemes.

Table 2: Summary of forecasted performance September 2025

Great Britain	Actuals		Forecasts			
	CP6 Exit	Y1	Y2	Y3	Y4	Y5
Time to 3	84.7 %	84.3 %	84.3 %	83.5 %	83.9 %	84.6 %
Cancellations	3.8 %	4.1 %	3.8 %	3.8 %	3.7 %	3.7 %
NR Delay/1000mi	33.2	32.3	32.8	34.9	33.8	32.3
England & Wales	CP6 Exit	Y1	Y2	Y3	Y4	Y5
Time to 3	84.2 %	83.8 %	83.7 %	82.7 %	83.0 %	83.9 %
Cancellations	3.9 %	4.3 %	4.0 %	3.9 %	3.8 %	3.8 %
NR Delay/1000mi	34.6	33.9	34.5	36.8	35.8	34.1
Scotland	CP6 Exit	Y1	Y2	Y3	Y4	Y5
STPM	89.9 %	89.7 %	90.7 %	91.6 %	92.5 %	92.5 %
Cancellations	2.5 %	2.2 %	2.3 %	2.3 %	2.3 %	2.3 %
NR Delay/1000mi	21.4	17.7	17.0	17.0	15.0	15.0

Overall, our plans are built to provide the best possible performance within available funding, balanced with wider outcomes and commitments. Our forecasts are driven by performance improvement schemes to tackle current challenges, mitigate future risks, and embed future opportunities.

Time to 3 and Network Rail attributed delay per 1000 train miles

Our CP7 exit forecast sustains punctuality at levels higher than pre-pandemic and that have not been consistently achieved for over 10 years. This has required ambitious plans to hold increasing risks steady particularly given the increasing pressure from external factors, ageing assets and the introduction of the East Coast Timetable in December 2025. The impact of this is made clear (reinforced by the charts below) in the year three drop in performance (driven by the December 2025 timetable change), which we have then forecasted to be able to recover supported by performance improvement across other areas.

Figure 7: GB Time to 3 forecast trajectories over CP7

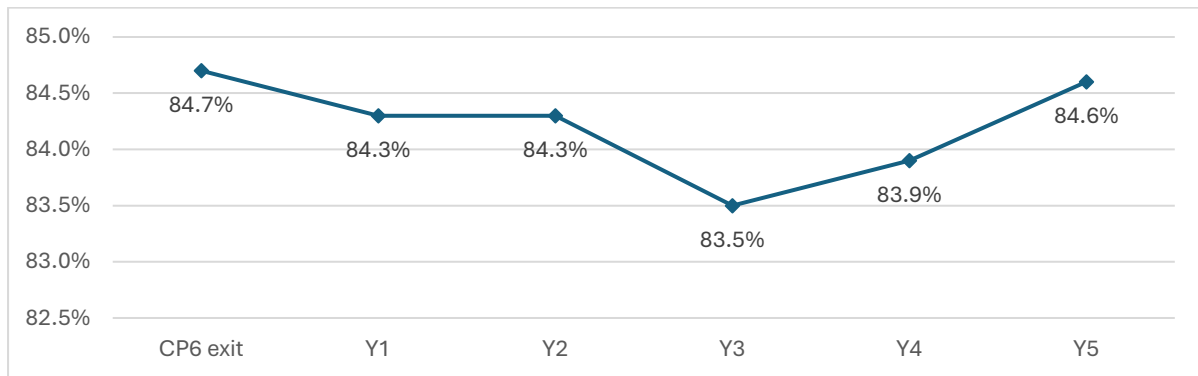
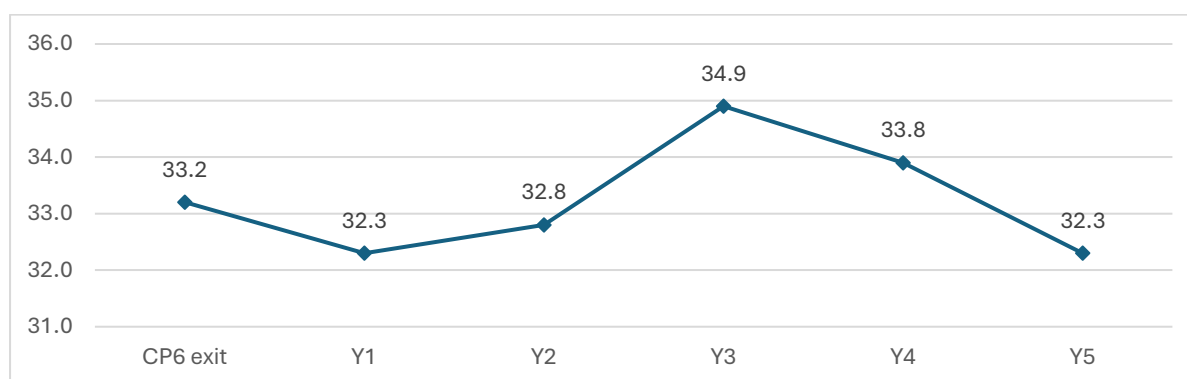


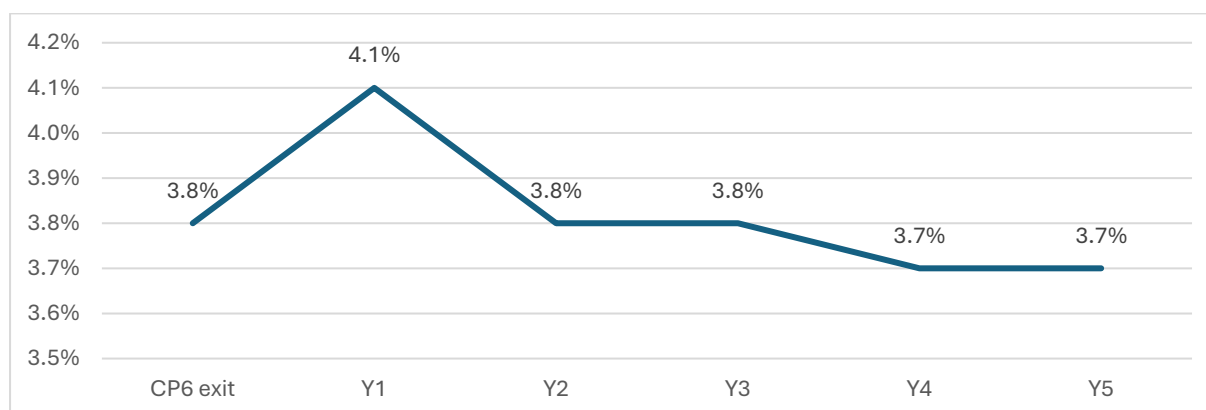
Figure 8: GB Network Rail delay per 1000 miles forecast trajectories over CP7



Cancellations

The cancellations forecast at CP7 exit is an improvement of 0.4 % compared to the CP7 year 1 position. There are some commitments from operators beginning to address train crew challenges, most notably GTR's 'Project 94' which has an improved forecast since May, which will support a gradual improvement to cancellations in Southern, and additional GWR commitments on train crew improvements for Wales & Western. SWR train crew availability and fleet introduction will also support the recovery of increased cancellations in Southern, while fleet improvements will support reduced cancellations in North West & Central, as well as operational resilience plans to keep trains moving safely during disruption. We are seeing some improvement from train crew recovery plans already, although our plans recognise that some of the longer-term solutions needed are still not finalised. A further reduction in cancellations is dependent on material progress in addressing train crew availability more widely across the network.

Figure 9: Cancellations forecast trajectories over CP7

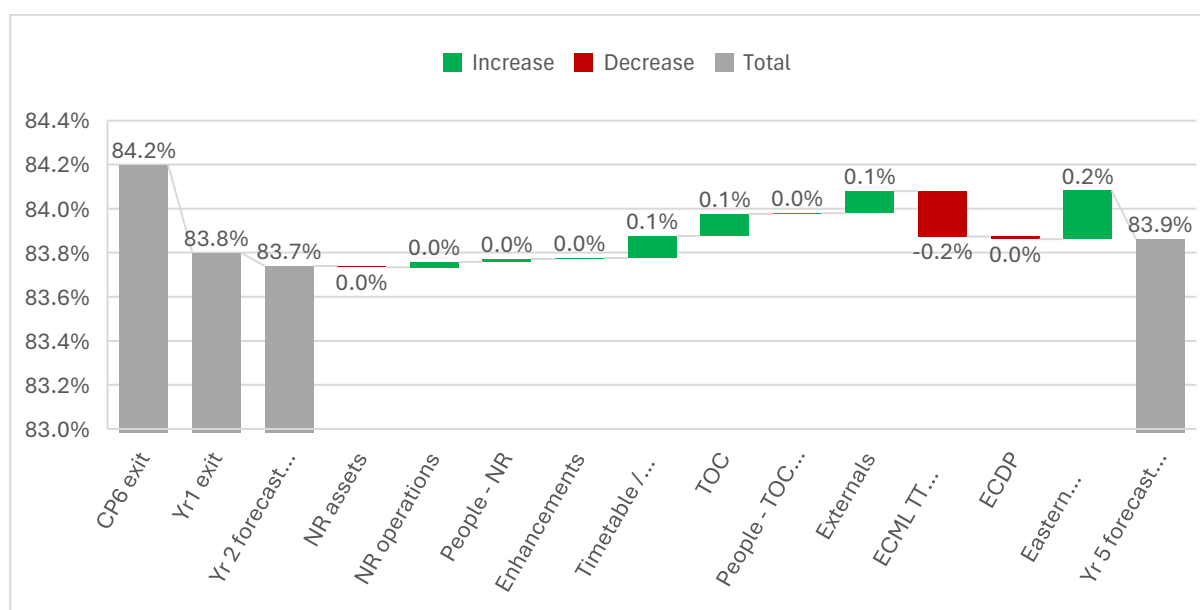


Part C – Summary of CP7 performance plans

CP7 performance drivers

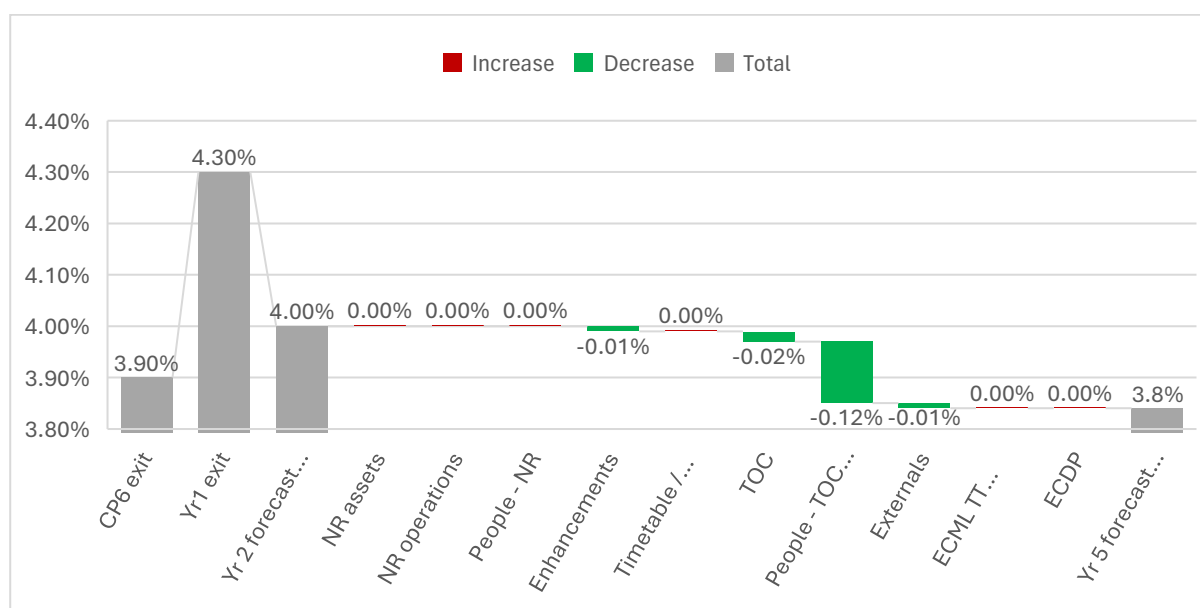
Our performance plans aim to identify and tackle the performance issues of today, as well as expected risks over the remainder of CP7 through mitigations and improvement schemes that align with operator plans and provide value for money. Within a fixed and very tight funding envelope, we aim to tackle the most significant performance risks. The waterfalls, below, illustrate the forecast changes due to different drivers in England & Wales, as Scotland changes are modelled separately in line with the specific HLOS target for the Scotland Train Performance Measure (STPM).

Figure 10: England & Wales T-3 changes over years 3-5 of CP7



Note: This is illustrative based on the aggregated impact of regional waterfalls

Figure 11: England & Wales Cancellations changes over years 3-5 of CP7



Note: This is illustrative based on the aggregated impact of regional waterfalls

Assets

Since our submission in May, the key changes to asset related performance schemes are:

- W&W has reviewed and updated the phasing of OLE improvements to better align cancellations impact with punctuality impact.
- NW&C has reviewed their assumptions on the scale of impact from ageing assets and a slight improvement compared to May is included in our forecast as an overlay to reflect uncertainty in later years of CP7.

Reflecting the way we have had to prioritise and allocate available funding for CP7, we expect a decrease in asset reliability, with an increase in service affecting failures (SAFs). This was

recognised by ORR in its Final Determination. Our modelling indicates that average remaining asset life will decrease, and that by the end of CP7, compared to the start, there will be a forecast reduction of 2.6 % in the Composite Sustainability Index (CSI). We expect a corresponding 3.5 % increase in service affecting failures. We are managing this risk as far as possible by prioritising asset renewals on performance critical lines of route. For example, in Wales & Western (W&W) there is a critical focus on asset resilience in the Thames Valley through Project Brunel, as set out in their performance improvement plans and fully reflected in our year 3-5 forecasts. Other examples include focus on reliability at the London end of both the West Coast Mainline (WCML) and Midland Mainline (MML). In other regions, there is less opportunity for improvement on performance critical lines, and we expect an increase in SAFs on more rural lines, but regions are tackling specific asset types based on local trends and risks, including track in Southern and signalling and overhead line renewal in Eastern. There are also continuous improvement activities at a network level, such as a Technical Authority led review of points assets to understand and identify potential solutions for the recent increase of failures.

Operations

Since our submission in May, we have reviewed operations related performance schemes but this has not driven a material change in our forecasts.

Operational improvements in our plans include further embedding of Integrated Train Service Recovery (ITSR) principles, increased use of Luminate traffic management, introduction of ARS within some resignalling schemes, and resolution of operational issues arising following the recontrol at Peterborough.

Network Rail people

Since our submission in May, each region has reviewed their plans in relation to filling maintenance and signalling vacancies. Each region has a different starting point for this issue and have therefore dealt with it differently in their performance plans, which is described in our region packs.

- Operational and maintenance resourcing and capability, particularly for responding to and managing incidents, is included in Eastern's performance improvement plan already in place for year 2 of CP7.
- North West & Central have a dedicated scheme in the year 3-5 plan for the maintenance vacancy gap and has aligned this with the overall asset strategy and assumptions.
- Southern has included schemes to address staffing shortfalls and enhance operational resilience, including 21st Century maintenance practices.
- W&W's business-critical role resilience programme, targeting key Maintenance and Operational roles, is already reducing vacancy gaps, whilst the innovative Control Operational Leadership Academy is upskilling teams to enhance management of incidents, improve duration and outcomes.

For Network Rail's people, filling signalling and maintenance vacancies and addressing gaps in maintenance competencies remains a continued focus. This will enable more effective response to incidents and effective service recovery. This has been a key focus for Network Rail over the past year. W&W expect performance opportunities in years 3 to 5, North West & Central (NW&C) note the ongoing risk but have built an improvement overlay to recognise the opportunity across their asset schemes, and other regions are already seeing benefits.

Enhancements

Since our submission in May, we have reviewed Enhancements related performance schemes. Southern has reviewed the impact of Victoria phase 5, which was identified as ambitious,

with the Southeastern railway performance team and adjusted the impact, resulting in a lower benefit profile.

Enhancements will provide marginal future performance benefits overall. The TransPennine Route Upgrade works are expected to cause a decrease in punctuality in Eastern and NW&C due to service disruption and impact on assets within CP7. Disruption from WCML North works to support HS2 is also expected to have a negative impact on performance in NW&C, while we project performance benefits from enhancements due to the Manchester North West Transformation programme in NW&C and Victoria resignalling in Southern. In W&W, development of Old Oak Common station has been delayed until late in CP7 deferring the performance risks anticipated during CP7 plan development.

Timetable

Since our submission in May, the key changes in relation to Timetable are:

- **We have reviewed assumptions on the impact of the East Coast Mainline Timetable change as per the recommendations provided by the Independent Reporter. We have adopted several of the recommendations and provided further evidence on our approach for those we have not adopted. Overall, this leads to a slightly improved year five position due to a steeper recovery from a lower year 3 forecast. While options for staged introduction of the timetable are still being explored with industry, this does not impact our annual trajectories.**
- **The SWR timetable change is still in development following SWR coming into public ownership and the establishment of South West Railway, integrating Network Rail's Wessex route and SWR under single management. Bringing Network Rail and the train operator together is allowing us to establish a clearer and more confident understanding of the issues and the opportunities associated with this timetable change. We recognise the potential performance opportunities from a new timetable, as well as wider customer benefits, but the structure of the timetable and its specific impacts, and requirements (e.g. sufficiency of train crew) and government sign off is still to be confirmed. Further operator level preparation is needed to make the timetable a success, so for this performance plan update we are assuming that the timetable change will take place in December 2027, rather than December 2026 as we assumed in our May submission. Consequently, the potential performance benefit arises later in CP7, and therefore the phasing of Southern's T-3 and delay change has been updated accordingly.**

The net impact of timetable and demand factors is forecast to be negative. This is driven by the impact of the East Coast timetable change in December 2025. While this provides increased capacity for passengers and economic benefits, it is the single biggest influence on T-3 performance and Network Rail delay in our forecasts and outweighs the benefits of other timetable improvements included in our plans. Without it, our year 5 T-3 forecast would be 0.4 % better.

East Coast Mainline (ECML) timetable change

It is expected that the ECML timetable change in December 2025 will lead to a sustained reduction in performance outcomes, despite proactive application of lessons learned from previous timetables, and ongoing industry activity to identify and mitigate (where possible) performance risks. Modelling shows a material impact on train performance due to increased capacity utilisation, shorter dwell times and accelerated train paths. This has been extensively analysed and tested given the scale of the performance impact set against the benefits of additional services, more seat capacity and faster journey times, and the economic benefits of this. Results of the modelling – which reflect 'good day' performance outcomes in a limited

geography and time period – are shown below. This requires scaling up to respond to whole Route/Region/Network impacts. The impact is expected from year 2 onwards. While year 2 targets are not within the scope of this reset, we have reflected the impact in our year 2 performance forecasts in this submission, and ORR's Managing Change Policy provides a mechanism to recognise this change in year 2 targets and reporting.

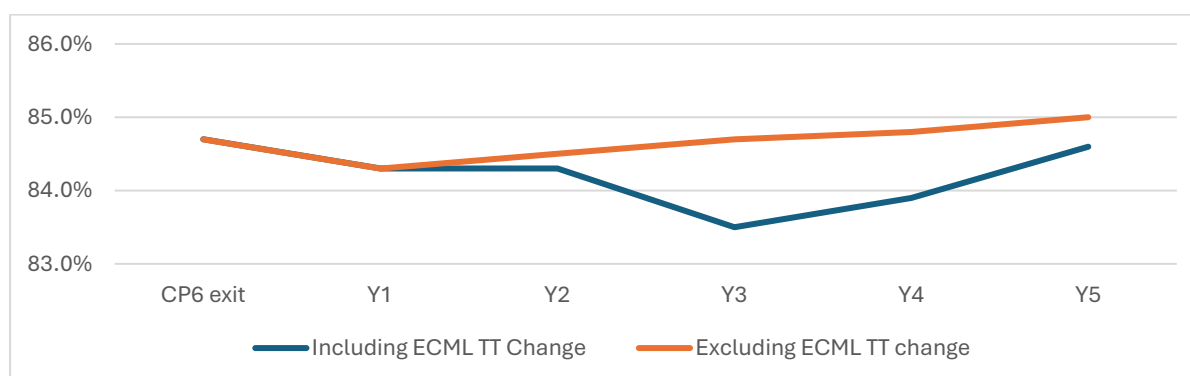
We have reviewed our methodology for forecasting the impact on Eastern region T-3, in line with the recommendations from the Independent Reporter. We have adopted an updated methodology in several areas recommended by the Independent Reporter including:

- Taking T-3 RailSys outputs rather than converting from On Time
- Using a single, updated, multiplication factor to scale the impacts appropriately
- Applying geographical analysis of previous timetable changes.

While there is a sharper decline forecast in year 3, we are forecasting a steeper recovery to year five than our May forecast submission. By the end of CP7, compared to forecasts without the impact of ECML timetable change, following an assumed 'bathtub' impact in the first 12-24 months and making adjustment to modelled outputs to correspond with non 'good day' conditions, we are expecting:

- 1.5 % lower T-3 in Eastern
- 0.1 % lower T-3 in Southern
- 0.4 % lower T-3 nationally.

Figure 12: comparison of T-3 trajectories with and without the impact of the East Coast Mainline timetable change



Timetable improvements

While material performance improvement would require fundamental timetable and resource change across aligned industry plans, which is not currently committed to by industry, all regions are focusing on continuous improvement of the base timetable with train operators. In Southern, SWR are assessing potential timetable changes underpinned by TRENO modelling, which is identifying the impact of timetable related delays and helping to target key areas for timetable planning and improvement. As described above, the expected date for the major timetable change by SWR has been updated in our plans to December 2027, recognising that the structure of the plan and its impacts are still to be confirmed, and sign off by government is still required. However, we have committed to the opportunity in our plans and will engage with ORR, if necessary, on any material change in circumstances that may impact the CP7 targets once further work is undertaken. There will also be iterative timetable improvement in Wales & Western, although the more fundamental change that would unlock further improvement would require agreement from industry, and current discussions indicate that freight operators are not open to

material changes. NW&C expect improvement from timetable changes, but also a risk from the re-introduction of services on the WCML.

East Coast Digital

Since our submission in May, there have not been any changes to our assumptions in relation to East Coast Digital

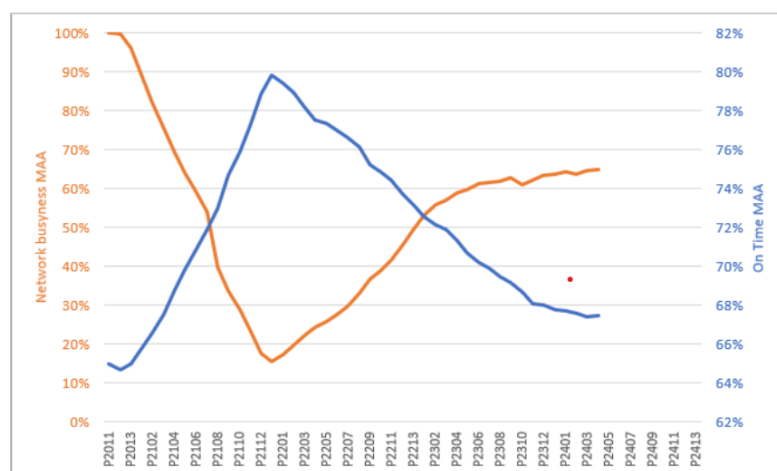
Following the ETCS overlay being introduced on the Northern City Line (NCL) there has been an observed drop in punctuality (c.4pp in On Time on the NCL) during an adjustment period, which we anticipate will improve through the remainder of CP7 as we achieve signals away. This experience provides a baseline on which to base our assumptions on performance impact of future ETCS roll out. An ETCS overlay will be introduced on the ECML between Hitchin and Welwyn and we anticipate similar challenges in operational delivery. Multiple operators, complexity of incident management compared to the NCL and less flexibility in the timetable all suggest that the impact will be more significant than experienced on the NCL. Eastern region will manage a phased introduction of the ECML ETCS overlay designed to help protect performance, but we do not expect that this will be able to fully mitigate performance challenges, particularly with the added complexity compared to NCL. Performance improvement will be realised after signals away beyond the end of CP7.

Passenger and freight growth

Since our submission in May, passenger demand forecasts have been updated in line with the industry endorsed forecasting approach. This most impacts Southern, with an increase in passenger numbers now expected later in the Control Period. This has impacted the phasing of T-3 and delay change but not the CP7 exit forecast.

As demonstrated by the relationship between network busyness and performance, and even more so with the artificial performance improvements during pandemic restrictions when service levels and passenger numbers were suppressed, increasing network busyness creates more pressure on performance. This is due to more congestion on the network, reduced flexibility to recover when incidents occur, and more passengers putting pressure on station dwell times.

Figure 13: network busyness in relation to train performance



Note: Network Busyness is a product of train count percentage and footfall

Year one saw a 5.1 % growth in freight moved, ahead of the year one final determination target of 1.5 %, and freight train kms increased by c. 10 %. This increase resulted from a materially different geographic spread than previous industry modelling indicated. The location, mode and level of growth can have a material impact on overall capacity and performance management. We are seeing steady passenger growth and industry forecasts project further passenger growth

over CP7, further increasing traffic on the network and pressure on passenger train performance delivery.

TOC, including TOC people

Across TOC categories, we expect an overall increase in performance but not at the level needed to fully counter the recent challenges, particularly for train crew and fleet reliability.

Train crew

Since our May submission, the key changes in relation to train crew are:

- **GWR has committed to further improvement on TOC caused cancellations impacting Wales & Western region**
- **NW&C are seeing some early benefits from operator schemes to address train crew challenges; however, it is recognised in our plans that these are not the long-term solutions required to provide certainty on continued improvement.**

As noted above, train crew availability is currently the biggest cause of cancellations and also exacerbates the impact of other incidents. In addition to the direct impact, shortages in the availability of train crew affect the ability to recover effectively from other types of incidents. Resolving the issues will require different solutions across different operators including recruitment to fill vacancies and address retirement profiles, recovering backlogs in route and traction training, agreements on rest day working and changes to terms and conditions. There are some commitments from operators to tackle these issues included in our forecasts, notably the GTR recruitment programme and an SWR commitment to improve train crew availability. Where there are committed schemes, this will take time to take effect, so we expect gradual improvement in some areas from year 3-5 of CP7. We expect commitments to take as long as two years to provide benefits. As identified later in this document, there are opportunities for further performance improvements if train crew issues can be addressed.

Additionally, bringing Elizabeth Line staff into control is expected to enable improved and aligned communications and incident management, particularly during disruption, in W&W.

Fleet reliability

Since our May submission, GWR has committed to further improvement on cancellations relating to fleet.

Our forecasts include a number of opportunities and risks associated with fleet. Fleet replacements generate reliability benefits but typically follow a bath-tub curve with an early dip in reliability while new and old fleets are in operation and teething problems are being ironed out. Delays and poor initial reliability in some ongoing fleet roll-outs, including Merseyrail and TfW have caused significant local performance issues over the last year but are expected to contribute to improvement as the issues are addressed. Opportunities include continued rollout of new Avanti West Coast and West Midlands Trains fleets in NW&C, renewal of GWR class 175s in W&W, East Midlands fleet renewal in Eastern, and SWR fleet renewal in Southern.

However, several risks remain on fleet reliability where operators are not able to commit to resolving current issues, or further decline is forecast. This includes some of Chiltern's fleet, which has no committed and funded replacement, and the Northern 15x fleet, which both have current reliability challenges. Additionally, fleet availability may be impacted by the significant maintenance requirements to manage the decreasing reliability, as well as enabling wider performance benefits through ETCS fitment (e.g. the existing Avanti fleet).

External factors

Increasing frequency and severity of weather impacts

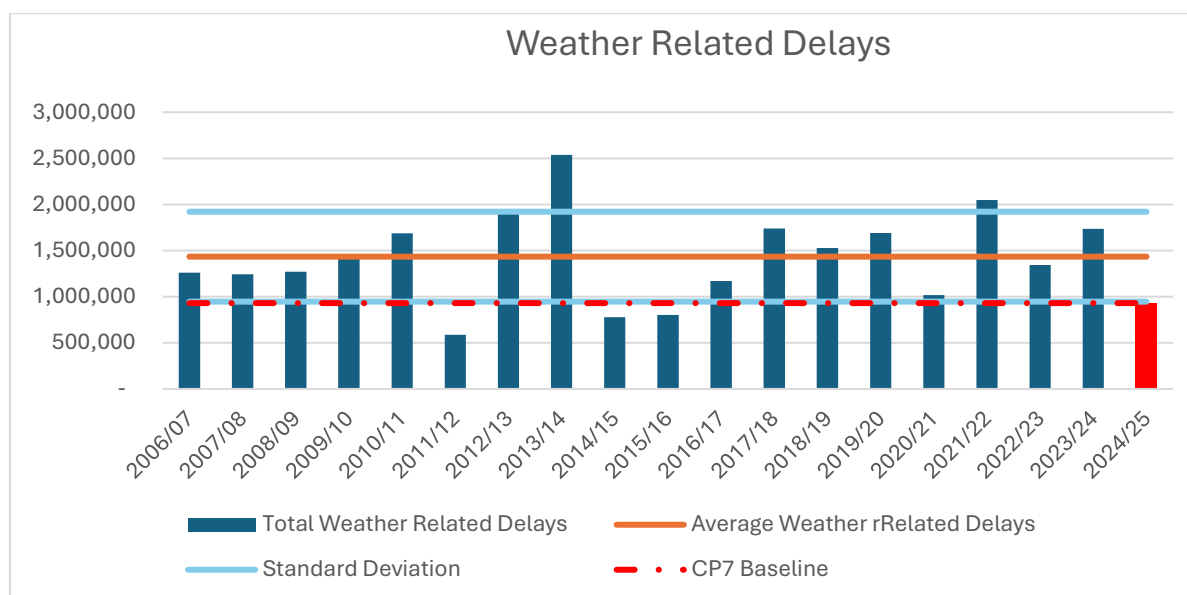
Since our May submission, each region has reviewed their assumptions on weather impacts. We have compared the baseline year weather impacts to longer term trends at a regional level to take a consistent approach to adjusting where required. The most material variance to long term trends was seen in Scotland, and our May submissions already accounted for this through an adjustment to the baseline. Other regions have not made an adjustment to their baseline year but have reviewed schemes in relation to weather impacts and weather management, with the main change being in NW&C.

We have also conducted further analysis on the variability of weather. In the past 20 years, England & Wales regions were within 10% of the 20-year average only three times. This emphasises the importance of ORR's proportionate approach to monitoring, given that there is such variance in factors outside of Network Rail's control.

We have seen a clear example of this over ORR's consultation window, with long spells of hot dry weather impacting train services and also contributing to soil moisture deficit which remains a risk to performance (due to lasting impacts on the infrastructure) for the remainder of this year, particularly in Southern and Eastern due to the environment across parts of their networks. While we have applied mitigation measures, which are so far helping to minimise the impact of this, we are seeing heat-related performance challenges more regularly.

Extreme weather and climate change is one of the biggest challenges we face over CP7 and beyond. Long term trends demonstrate the increasing impact of weather on train performance. The increasing severity and frequency of adverse weather impacts infrastructure performance on the day, and over time. This is both shorter term (such as longer dry spells impacting the track bed) and longer term (faster degradation of our assets due to changing climate). Analysis also shows us that weather is highly variable, meaning that in any given year the frequency, severity and location of weather may benefit or damage performance compared to the 'average'. Weather impacts in the baseline year (P10 2023/24 – P09 2024/25), which is the starting point for our forecast performance improvements and risks, were materially (c.30 %) lower than the long run average impact of weather, so even a return to average levels in the remaining years of CP7 would present further headwinds, with further risk from worse than average years. Regions have assessed this for their respective performance plans and included risks and mitigations relevant to their local challenges.

Figure 14: Variability of weather-related delays (total attributed minutes) and comparison of baseline year to average



Throughout CP7, we are investing around £2.6bn in activities and technology that will help our network better cope with extreme weather and climate change, across both core asset management and dedicated resilience activity. The proportion of assets renewed in any control period is a very small fraction of the total asset base, and in CP7 the average age of our assets will increase. Typically, this makes our assets more vulnerable to extreme weather they were not designed to withstand. So, to supplement our weather resilience and climate change adaptation plans, we have also included schemes in our performance plans that help us to better forecast severe weather, and therefore prepare for it, and implement operational procedures that enable us to keep running trains safely during times of disruption.

PRIMA (Proportionate Risk response when Implementing Mitigating speeds to Assets) enables advance agreement of operational restrictions in response to severe weather. A trial in Scotland has demonstrated that the primary delay per train, under a blanket speed restriction, was successfully reduced by a third with a corresponding reduction in reactionary delay. Meanwhile, GUSTO (Gales: Use of Speed-restrictions Targeted to Operational risk) is a decision support tool to reduce the need for blanket speed restrictions and target smaller areas instead through data driven risk assessments. Regions have built these opportunities into their plans to manage the impact of increasing severe weather on performance.

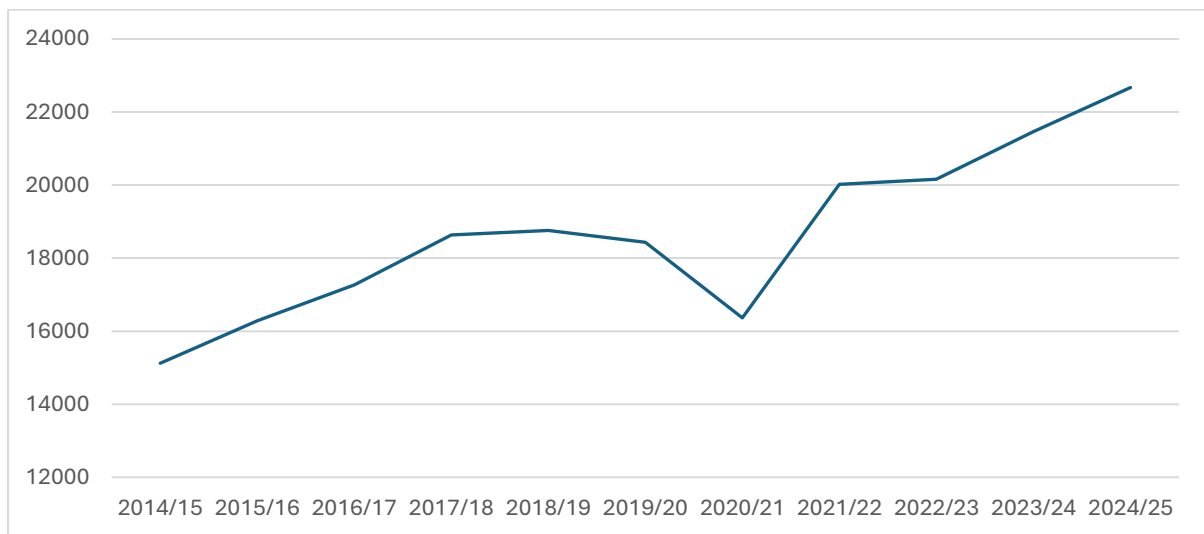
External incidents

Since our May submission, the key changes in relation to external incidents are:

- **Eastern region has reviewed and corrected assumptions for the performance impact of external incidents in Anglia. This had previously inflated the potential performance benefits, so our updated forecasts have a reduced and more appropriate improvement compared to May.**

Nationally, external incidents have been steadily increasing over the past ten years, as shown in the chart below. Analysis on suicide rates has shown that rail's share of the total number of suicides has not materially changed, but national suicide rates (not only those on the railway) have been increasing since 2007, and in 2023 (the most recent year national statistics are available) the total rate of suicide was the highest since 1999. The number of people in contact with mental health services in England increased from 1.6m in January 2022 to 2.1m in May 2025, a 31 % increase, indicating the wider societal trends that can impact external incidents.

Figure 15: count of external incidents by financial year



At the same time, the impact of these incidents has been increasing, partly as a result of changing industry and societal attitudes to risk leading to a greater propensity to stop services when incidents occur. A recent 'sprint' study reported to NPB has generated new insights into the patterns of trespass behaviour, highlighted issues with the lack of an integrated industry strategy and shown gaps in the effective use of data and sharing of learning to support more effective response. This learning is informing the development of specific workstreams with industry colleagues, including changes in approach to communication campaigns and trials of new technology. We expect this work to enable us to mitigate the increasing risk, but we have not yet identified a clear path to deliver a material improvement.

Improvements in incident management should be enabled through the multi-agency RailSAFE agreement and associated briefing and training programme. However, there is a risk that BTP funding availability could adversely affect response to incidents.

Regions have a range of improvement schemes in their plans focusing on suicide and trespass prevention, as well as wider external risks, including measures such as fencing to restrict access and more targeted response to mental health issues.

Potential risks and opportunities

Our bottom-up modelling approach is based on robust evidence and only includes committed and quantified schemes. While it would not be appropriate to base forecasts and targets on uncertain risks and opportunities, we have explored risks and opportunities beyond those that are committed and quantified (or where factors in our plans are particularly uncertain and high impact).

Key opportunities may lie in:

- **Whole industry alignment on funder ambitions.** Under the NPB, industry is exploring the feasibility and required action to deliver further improvement, and funder ambitions have indicated that this would be 90 % T-3 and 2 % cancellations, which is a very substantial improvement from current levels. Noting this will require whole-industry action, this work will seek to set out the real, practical steps industry can take, the blockers to be addressed and the trade-offs that would have to be made. ORR's role as an independent regulator, undertaking its assessment and challenging the industry, is a more appropriate approach to driving performance improvement than setting unevidenced and stretching top-down targets on Network Rail which would result in funding being diverted away from core plans

via Schedule 8 payments from setting unevidenced stretch (notwithstanding ORR's decision, as part of the reset, to implement the 'PR23' methodology for calculating Schedule 8 payment rates in full, which reduces – but does not remove – financial risk).

- **Longer term TOC improvement schemes.** While we know that train crew shortages are the biggest contributor to cancellations, and we can quantify the impact that resolving issues would have (based on the level of decline), most operators are not yet in a position to make firm commitments on these areas over multiple years, due to funding and business plan timescales. Reducing train crew cancellations is a key focus area for NPB and the Train Crew Board which is developing a seven-point plan to achieve a sustainable reduction over the next few years.
- **Industry reform.** Industry reform has the potential to enable a step change in performance through closer industry working generally and integrated performance / business planning within GBR, and by making major changes easier, such as timetable and access improvements with GBR as the directing mind. Our region plans already account for closer industry working as far as possible in the current industry structures. However, more fundamental change is not likely to be unlocked until legislation has passed, with GBR stood up and several TOCs brought into GBR. As recognised by the Independent Reporter, more fundamental opportunities are not expected to be realised until CP8, not least because the opportunities that GBR provides, whilst significant, cannot take effect from 'day 1' (given the time to develop plans in light of new legislative arrangements, GBR coming into organisational form and because fundamental changes to timetables may still require substantial time to develop and implement).
- **Industry continuous improvement and ongoing performance management.** In addition to discrete performance improvement schemes, our teams collaborate with operators on a daily basis to tackle performance issues as part of 'business as usual'. While there can be improvements emerging from that continuous approach, there are also new risks emerging all the time, which BAU performance management focuses on resolving. To gain further improvement from this, we would require more mature, robust performance management approaches across the whole industry. We expect this to be unlocked further by industry reform, particularly to enable TOCs to plan to a longer timescale than the current contractual and funding arrangements allow.
- **Industry innovation.** The Industry Performance Improvement Fund established in the England & Wales settlement provides £40m across our four England & Wales regions to enable innovation in performance improvement. The fund has been well used in CP7 year one, with several promising trials and pilots funded. The fund was not scaled to enable full rollout of promising pilots so we do not expect material performance improvement beyond the small trials underway. If funding were secured to enable roll out, there are several opportunities that could provide further benefit including drainage remote condition monitoring, thermal optical RCM (to support a reduction in derailments caused by dragging brakes / non rotating wheelsets) and a new tool for the analysis of sub-threshold delays and how to reduce these alongside new approaches to measuring the sub-threshold delays.
- **Unconfirmed infrastructure enhancements.** Our plans only include enhancements that have a Final Investment Decision. If confirmed, there may be future performance benefits from enhancements including Rugby power supply upgrades which would provide benefits on West Coast Main Line South.

Key risks lie in:

- **Impact of the Spending Review on operators' annual business plans.** It is not yet clear how Government's spending review will impact operators' annual business plan decisions, and therefore the possible consequences for performance. This submission is based on the

current commitments operators have provided on their future performance risks and schemes. We will engage with ORR on any impact from changes to industry funding on forecasts.

- **December 2025 ECML timetable change.** While we do now have certainty that the East Coast timetable change will go ahead in December 2025, which was not assumed in our previous CP7 forecasts, the actual impact this will have on performance is still extremely uncertain despite extensive industry modelling.
- **December 2027 SWR and Wessex timetable change.** We have committed to performance improvement in relation to the Wessex timetable change, now assumed for 2027 rather than 2026. However, the structure and sign off on the timetable change are still to be confirmed, so we will continue to assess how the final decisions impact our performance forecasts and, if necessary, pursue managing change for any material change in circumstances.
- **New Elizabeth Line concessionaire.** Any service changes under the new concessionaire for the Elizabeth Line have not been reflected in our forecasts, as there was extremely limited information available to Network Rail as we developed our latest plans.
- **Additional operator services.** Any future approval of access rights and changes to operator services could impact our forecasts. If appropriate, we would expect to progress these issues through the managing change policy.
- **Operator performance incentives.** We are aware of potential changes to operators' contractual performance metrics to reflect the different priorities of their markets, which is most likely to impact the North London Line with ARL expected to introduce a headline journey time metric which may not support overall T-3, delay and cancellations delivery. As a significant contributor to Eastern's T-3 performance, this bears a material risk to Eastern's performance. We will provide further information to ORR in due course on how an alternative monitoring approach could mitigate this.

Conclusion

Regulatory targets can play a part in performance improvement when used appropriately, but equally, setting them at the wrong level can have negative consequences. While the Schedule 8 regime incentivises out-performance, it also penalises under-performance. Network Rail's ambition is absolutely to improve industry performance, but it would not be appropriate to bake uncertain and unevidenced 'stretch' into targets if Network Rail would then be penalised for not meeting targets that are not realistically deliverable. Schedule 8 benchmarks must be based on robust underpinning plans and evidence, and at a level that is deliverable within Network Rail's fixed funding for CP7 so that it does not create undue financial risk, particularly given the level of variability in performance can become extremely costly due to factors outside of Network Rail's control.

Striking an appropriate balance between ambitious and realistic, by continuing to take an evidence-based approach to reset decisions. We are confident that we have addressed the challenges in ORR's consultation robustly and we are prepared to support ORR's assessment and decision-making with any additional modelling and evidence required so that decisions can remain evidence based with line of sight to a clear set of assumptions, and modelled targets rather than estimated stretch.

Annex A – Regional and GB level forecast trajectories for our initial reset submission

	Metric	CP6 exit	Year 1	Year 2	Year 3	Year 4	Year 5
Eastern	Time to 3	85.7%	85.0%	84.5%	80.6%	82.0%	84.4%
	Cancellations	3.7%	3.9%	3.6%	3.5%	3.4%	3.4%
	NRD / 1000 mi.	28.8	28.4	30.2	36.9	34.5	30.2
NW&C	Time to 3	82.7%	82.5%	82.5%	82.4%	82.5%	82.5%
	Cancellations	4.4%	5.1%	4.6%	4.5%	4.5%	4.5%
	NRD / 1000 mi.	31.1	32.2	33.3	33.6	33.3	33.3
Scotland	STPM	89.9%	89.7%	90.7%	91.6%	92.5%	92.5%
	Time to 3	88.9%	88.4%	89.5%	90.4%	91.1%	91.1%
	Cancellations	2.5%	2.2%	2.3%	2.3%	2.3%	2.3%
	NRD / 1000 mi.	21.4	17.7	17.0	17.0	15.0	15.0
Southern	Time to 3	86.2%	85.2%	85.1%	85.4%	85.1%	85.4%
	Cancellations	3.4%	3.9%	3.9%	3.9%	3.7%	3.7%
	NRD / 1000 mi.	40.3	42.1	42.2	41.8	42.1	41.8
W&W	Time to 3	76.1%	78.6%	79.1%	79.5%	79.7%	80.0%
	Cancellations	4.9%	4.7%	4.1%	4.0%	3.9%	3.9%
	NRD / 1000 mi.	45.1	36.8	35.6	35.0	34.3	33.6
GB	Time to 3	84.7%	84.3%	84.3%	83.5%	83.9%	84.6%
	Cancellations	3.8%	4.1%	3.8%	3.8%	3.7%	3.7%
	NRD / 1000 mi.	33.2	32.3	32.8	34.9	33.8	32.3
E&W	Time to 3	84.2%	83.8%	83.7%	82.7%	83.0%	83.9%
	Cancellations	3.9%	4.3%	4.0%	3.9%	3.8%	3.8%
	NRD / 1000 mi.	34.6	33.9	34.5	36.8	35.8	34.1