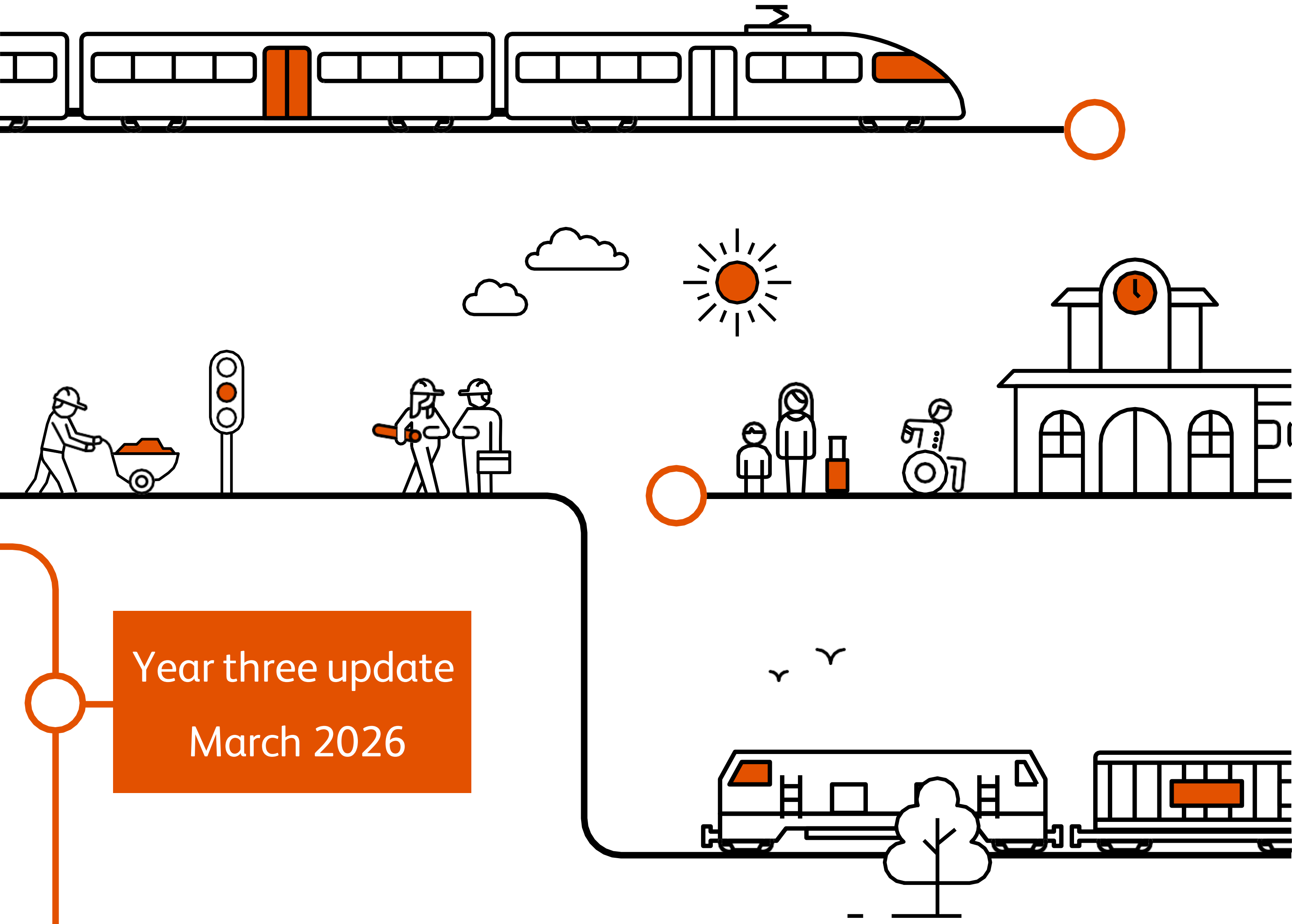
Our updated GB delivery plan for Control Period 7 (CP7)



Year three update

March 2026

Foreword

Last year's Railway 200 celebrations were a powerful reminder of just how deeply the railway is woven into the life of this country. For more than two centuries, it has connected communities, supported local economies and helped people get to where they need to be. It's a legacy built by generations before us, and one we have the privilege and responsibility to carry forward.

Over the next few years, our railway will go through the biggest transformation in a generation. The creation of Great British Railways (GBR) will bring track and train back together as one integrated organisation, focused squarely on delivering a better service for passengers, freight users and the communities we serve. The introduction of the Railways Bill to Parliament in November 2025 was an important step on that journey to give us the tools we need to build a modern, reliable and customer-focused railway.

By bringing track and train together under GBR, passengers and freight customers will have a single organisation they can turn to whether they're planning a journey, buying a ticket or accessing the network.

Ahead of the creation of GBR, we are working increasingly collaboratively with DfTO, and I welcome the recent appointment of Alex Hynes who I look forward to working with closely as we take forward the work to prepare for GBR.

We are also already seeing what this integrated approach can deliver. Our three new Integrated Railways: South Eastern, South Western and Anglia are beginning to demonstrate the benefits of working as one railway. On South Western, for example, our integrated team are now jointly planning engineering work, with early results showing lower costs and a less disruptive experience for customers.

At the same time, we must never lose sight of the day-to-day responsibility of running a safe and dependable railway. This past year has brought real progress, but also moments that weigh heavily on all of us, including the terrible incident at Huntingdon and the derailment at Shap. Serious events like these sharpen our focus on what matters most: making sure everyone gets home safe, every day.

Alongside these challenges, we've achieved some significant milestones. In December, we delivered the biggest timetable change on the East Coast Main Line in more than a decade. It is already providing faster, more frequent services and thousands of additional seats for the communities who rely on the route. We also launched Platform4 in November, our new property development company, which will help deliver around 40,000 homes over the next decade and support regeneration across England & Wales.

Over the next year of Control Period 7 (CP7), we will continue to focus on keeping people safe and improving performance, with asset reliability key to this. These priorities sit at the heart of this Delivery Plan.

At the same time, we are also realistic about the world we are operating in. The impact of inflation and wider financial challenges on our plan has meant we've had to make some tough decisions. To stay within our budget, we've scaled back some renewals and projects planned for the later years of CP7.

Where we have made choices, we've done so carefully. We've protected investment that improves resilience to extreme weather and focused on assets that support the busiest parts of the network. We've also increased investment in maintenance by £0.3bn over the past year (£1.1bn since the start of CP7) to help manage risk and sustain the day-to-day performance that passengers and freight depend on.

We will continue to stay agile, responding to the challenges and opportunities ahead, while working closely with train operators to deliver the best service possible for the communities who rely on us.

This is an exciting time for the railway. The move towards GBR gives us the opportunity to simplify how the industry works and to deliver a more joined-up, customer-focused railway. I'm determined that we seize that opportunity with energy and optimism. We have a long history to be proud of and a bright railway future we can shape together.

Jeremy Westlake

Jeremy Westlake

Chief Executive

March 2026

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Photo by Scotland’s Railway Air Operations

Our plan on a page

Our CP7 strategic priorities

Safety

We will reduce the number of injuries to our workforce and deliver train accident risk reduction activity, using technology to keep our people away from danger while focusing on addressing the biggest risks of train accident and reducing accidents at level crossings.

Train service delivery

We will work with industry partners to improve train service reliability and punctuality in CP7. We will support 7.5 % freight growth in England & Wales, with 8.7 % growth for Scotland. Our asset age will decline overall, so we will manage this carefully, focusing our maintenance and renewal activity in the areas that need it most.

Efficiency

We are committed to delivering £3.9bn of efficiencies in CP7 and have built in a further £200m efficiency challenge into our plan (total: £4.1bn).

Customers & communities

We will improve overall passenger satisfaction and satisfaction at our managed stations.

Sustainable growth

We will further reduce our carbon emissions by 20.5 % and improve the biodiversity on our land.

People

We will improve employee engagement and develop our talented, diverse and well trained workforce delivering the right work at the right time.

An overview of our CP7 financials

Figure 1.1: Summary of our expected CP7 income and expenditure

Income
England & Wales government grant **£27.2bn** (£27.5bn)
Scotland government grant **£2.3bn** (£2.3bn)
Access charges **£13.9 bn** (£13.8bn)
Commercial income **£1.8bn** (£1.7bn)
Electricity for Traction (EC4T) **£4.4bn** (£4.3bn)

GB total funding
£45.1bn
(£45.3bn)

Expenditure
Operations **£5.0bn** (£4.4bn)
Support **£5.4bn** (£5.3bn)
Maintenance **£13.7bn** (£12.6bn)
Renewals and other capital expenditure **£18.7bn** (£19.3bn)
Industry costs & rates **£2.0bn** (£2.0bn)
Risk funding **£0.4bn** (£1.8bn)
Electricity for Traction (EC4T) **£4.4bn** (£4.3bn)

Notes: Our CP7 plan assumes that Electricity for Traction (EC4T) costs of £4.4bn are offset in full by EC4T charging income from operators. Therefore it is not included in the £45.1bn total. Expenditure excludes costs associated with the British Transport Police (BTP). We have included our planned expenditure as at March 2026 vs March 2024. The numbers in brackets are the March 2024 figures (which are in cash prices based on the November 2023 OBR inflation forecast).

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 the mainline railway infrastructure in Great Britain between 1 April 2024 and 31 March 2029. We updated it last year.

This document provides an update on our progress in delivering our CP7 Delivery Plan and provides an overview of our updated plan for years 3-5 of CP7, clearly identifying any key changes compared to our March 2024 Delivery Plan.

Our Delivery Plan update consolidates and summarises our latest plans for Scotland, our four regions in England & Wales, and our supporting network-wide functions. Our region and function updated plans are also available on our website.

Consistent with our original CP7 Delivery Plan and last year's update, our updated plan does not include any enhancement expenditure or activity or Network Rail High Speed activities as these are funded through other arrangements.

Whilst the scope of this plan only covers Network Rail's operations, support, maintenance and renewals activities (i.e. it does not include future GBR passenger services costs and income), we are working closely with DfTO and train operators to unlock early integration opportunities ahead of GBR with these built into our plan.

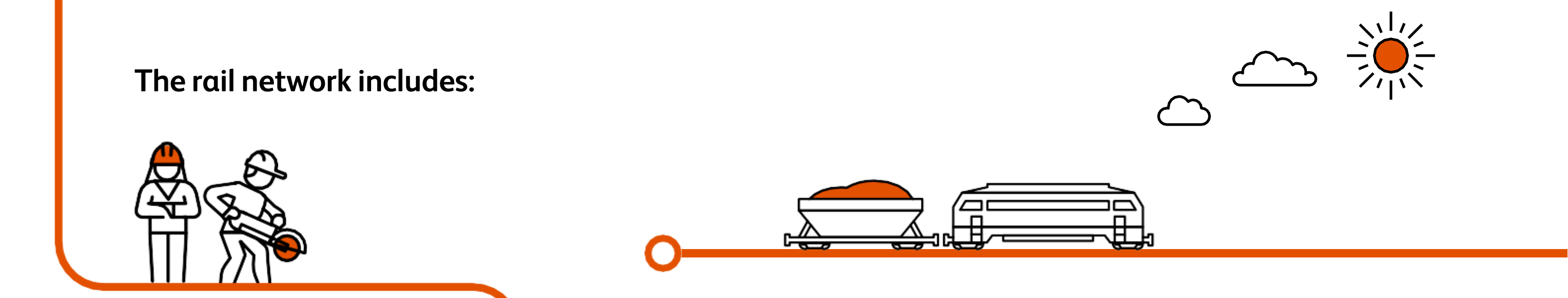
As we move towards GBR, we will review the scope of our CP7 Delivery Plans and, working with DfT Operator Ltd (DfTO), intend to present a more integrated view across track and train as part of our March 2027 Delivery Plan update.

Our Delivery Plan update is based on our updated business plans as at February 2026 (period 11). Financial values expressed in this document are in cash prices (using the Office for Budget Responsibility's (OBR) November 2025 inflation forecast), unless otherwise stated.

Photo by Joseph Jolly

Who we are and what we do

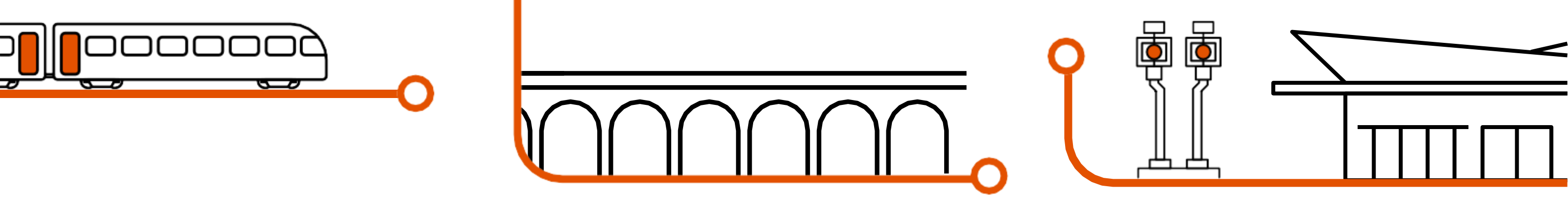
The rail network includes:



20,000
miles of track

30,000
bridges, tunnels and viaducts

40,000
signals



At Network Rail, we:

- manage 20 of the country's largest stations, the rest – over 2,500 – are run by train operating companies.
- are of the largest landowners in Great Britain, managing 52,000 hectares.
- are Britain's biggest neighbour with more than 22 million people living within 500 metres of our railway.
- employ over 40,000 skilled and dedicated people.
- support more than 100,000 British jobs through our supply chain.
- work directly with over 4,000 suppliers – 99 % of which are UK based and 75 % of these are small and medium enterprises.
- have Britain's sixth largest road fleet

Our purpose and role

Our purpose is to connect people and goods with where they need to be, to support our country's economic growth and prosperity and contribute to the objectives of the UK and Scottish governments.

Our role is to run a safe, reliable and efficient rail network with a vision to deliver a simpler, better, greener railway for our customers and communities.

How we are structured

Our business is split into five geographical regions, with those regions sub-divided into 14 routes. These regions and routes are devolved businesses, enabling many decisions to be taken at a local level, closer to customers and the communities in which we serve.

Our regions and routes are supported by network-wide functions providing services required across the network. This plan covers all five regions and 13 out of our 14 routes (with Network Rail High Speed, our 14th route, funded separately and, therefore, not included in this plan).

We have established three local integrated railways, South Eastern Railway, South Western Railway and Anglia, which unite track and train under a single leadership team. They enable our routes and DfTO operators to work better together to drive improvements in performance, reliability, and passenger satisfaction.

These local integrated railways lay the foundation for GBR and we will utilise the learnings as work with DfT and DfTO to design and establish GBR.

How we've updated our plan

The UK and Scottish governments' c.£45bn commitment to funding the operation, maintenance and renewal of rail infrastructure over CP7 is a significant vote of confidence in the industry's future.

As set out in our March 2024 Delivery Plan, our plan is balanced between delivering the priorities for the railway for the next five years (i.e. safety, train performance and customer experience) and making investments in people and technology and research & development that will improve the operation, efficiency and environmental sustainability of the railway over the longer-term.

This balanced approach is consistent with the objectives of the UK and Scottish governments, as set out in their High Level Output Specifications (HLOSs), and within funding they have made available (as set out in their Statements of Funding Available).

Our devolved structure means that our regions and functions own the development, updates and delivery of their plans, within a network-wide planning framework. This allows regions and functions to respond to their own unique circumstances and local stakeholder priorities, while also reflecting broader network-wide requirements and challenges (e.g. managing an ageing asset base, managing the impact of extreme weather events on our network and managing the impact of inflation).

We have continued to update our CP7 plans to take account of progress during years 1 and 2 of CP7, as well as the opportunities and challenges we face over the remainder of the control period.

A key opportunity is the creation of GBR, a new public sector organisation that will bring track and train together under a single directing mind. In updating our plans, we've sought to identify further whole-industry opportunities which we are embedding into our plans, working jointly with operators. Our plans lay the foundation for rail reform, and we are committed to supporting a smooth transition to GBR.

However, we continue to face wider financial pressures (including £600m of inflation since the start of the control period - £2bn in total since the SoFA was published, £300m of Schedule 8 payments and a £165m stretch to our plan through the 2025 Spending Review), which has meant we have had to make some tough choices in our plan for years 3-5 of CP7.

Photo by Richard Allen

Our vision and strategy

In this section, we provide an overview of our vision, strategy and outcomes and highlight any changes to specific objectives and initiatives since our March 2025 CP7 Delivery Plan update, as well as our March 2024 Delivery Plan.

Our vision: simpler, better, greener

Simpler. We will 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 will 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 will 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 have 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.

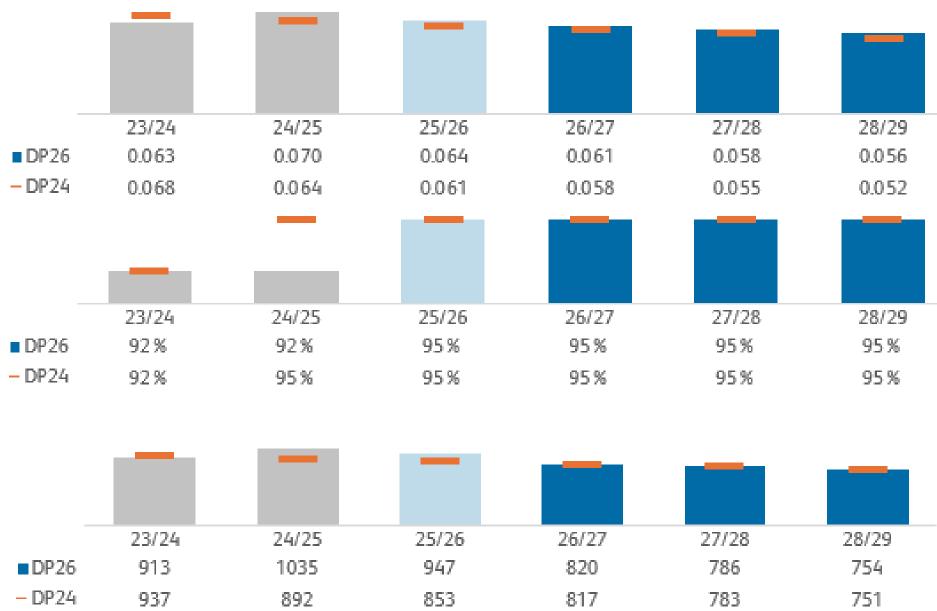
Safety	Everyone home safe, every day.
Train service delivery	Delivering reliable and punctual train services.
Efficiency	Run a safe, reliable and efficient railway.
Customers & communities	Dependable partner with customer service at the heart of everything we do.
Sustainable growth	To serve the nation with the cleanest, greenest mass transport.
People	Become a high performing, service led organisation.

Safety

Our ambition: Everyone home safe, everyday.

Our key 2024-2029 safety objectives

- Reduce passenger safety risk.
- Reduce health and safety risk to our colleagues.
- Reduce public safety risk.
- Effectively control threats to railway security.



Measure		23/24	24/25	25/26	26/27	27/28	28/29
Fatalities and Weighted Injuries (FWI)	DP26	0.063	0.070	0.064	0.061	0.058	0.056
	DP24	0.068	0.064	0.061	0.058	0.055	0.052
Train Accident Risk Reduction (TARR)	DP26	92%	92%	95%	95%	95%	95%
	DP24	92%	95%	95%	95%	95%	95%
Personal Accountability for Safety (PAFS)	DP26	913	1035	947	820	786	754
	DP24	937	892	853	817	783	751

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

A summary of our progress so far

- Workstreams have continue to focus on improving workforce safety. A key highlight has been progressing trials to enable the possession of the train line to be taken remotely. This removes the need for teams to go trackside and physically lay protection limits. It saves time, maximising the time available to undertake engineering work. Despite this focus, we are forecasting a slightly higher level of FWI due to more slips, trips and falls than expected in the current year.
- We successfully launched public behaviour change campaigns for trespass prevention and level crossing safety. A significant success this year was the refresh of our rail safety educational material and agreement with the Department for Education (DfE) to introduce rail safety topics in all primary and secondary schools in England.
- Following the launch of the new Safety Event System for close call reporting in March 24, the system has now been rolled out for all safety events across the network. This incorporates the reporting of accidents and incidents, and investigation management. This will support us in reducing the current levels of Personal Accountability for Safety (PAFS) incidents to achieve our CP7 exit position.
- In the summer of 2025, guidance was issued on 'So Far As Is Reasonably Practicable' (SFAIRP) assessments. We are now focusing on embedding this into our business-as-usual processes. This follows work with ORR on the 'Costs & Benefits of Safety', with positive progress on initiatives, helping to inform decision making.
- We have developed a comprehensive sustainable health strategy. The goal is for

health outcomes to be considered as a critical factor in achieving our safety and people performance objectives.

Key initiatives

Reduce passenger safety risk

- We are reviewing Earthworks which display similar characteristics to locations that have experienced derailments, aiming to proactively prevent incidents. The reviews are to confirm that any drainage and earthworks defects identified have appropriate timescales for rectification and mitigations in place.
- Following investigations into a recent derailment (Audenshaw, Manchester, 2024), workstreams and reviews are in place to support the improvement in safety culture, technical improvements in design, inspection and maintenance practices.
- We are taking action to learn from incidents of trains travelling too fast on the East Coast Mainline. These include identifying high risk junctions, development of new risk assessment tools and signalling modifications in targeted areas, as well as research into the cause of the incidents.
- PRIMA, a decision support tool that guides operational response to adverse weather (particularly extreme rainfall), is currently being trialled with further rollout planned. Expansions are in development to include capability for high wind scenarios.
- Standards for freight train preparation and maintenance are being updated, and targeted studies are underway following derailment incidents at London Gateway (24 December 2021) and Petteril Bridge Junction (19 October 2022).
- As a part of the Operations Capability Strategy, we are improving signaller and operational competence management. This includes raising awareness of risks when authorisation is granted for train movements when a proceed signal aspect is not being displayed or the signal is defective/not available and reinforcing the importance of the correct use of route lists (used when there is a failure of an asset) during normal and degraded working.
- We are tackling the risks of objects being left obstructing or on an open line at the end of engineering works. This includes the line-clear verification process, improved training and technology such as transmitters on substantial objects and geofence detection systems.

Reduce public safety risk

- After a significant period without incident, there have been 14 fatalities at level crossings between 2025 – 2026. We are working closely with Rail Accident Investigation Branch (RAIB) on safety investigations, as well as conducting our own, to identify how we can help prevent future fatalities.
- We are promoting safety at level crossings, working with major e-commerce companies to promote education and awareness. We are delivering our level crossing strategy, including making our signage simpler, using state-of-the-art CCTV and obstacle detection systems, increased stop lights and community awareness campaigns.
- We will continue to support mental health awareness and suicide prevention, working with partners and continuing campaigns to educate the public on the risks of the railway.

Reduce health and safety risks to our colleagues

- We will continue to invest in technology to remotely monitor our infrastructure, including drones and online tools, to reduce the time our people are on track.
- Our Electrical Safety Delivery (ESD) programme will deploy new technology to isolate the electricity to sections of the railway more quickly and safely.
- We continue to promote and improve our Occupational Health Service to provide better access for our people at sites across the network.

Effectively control threats to railway security

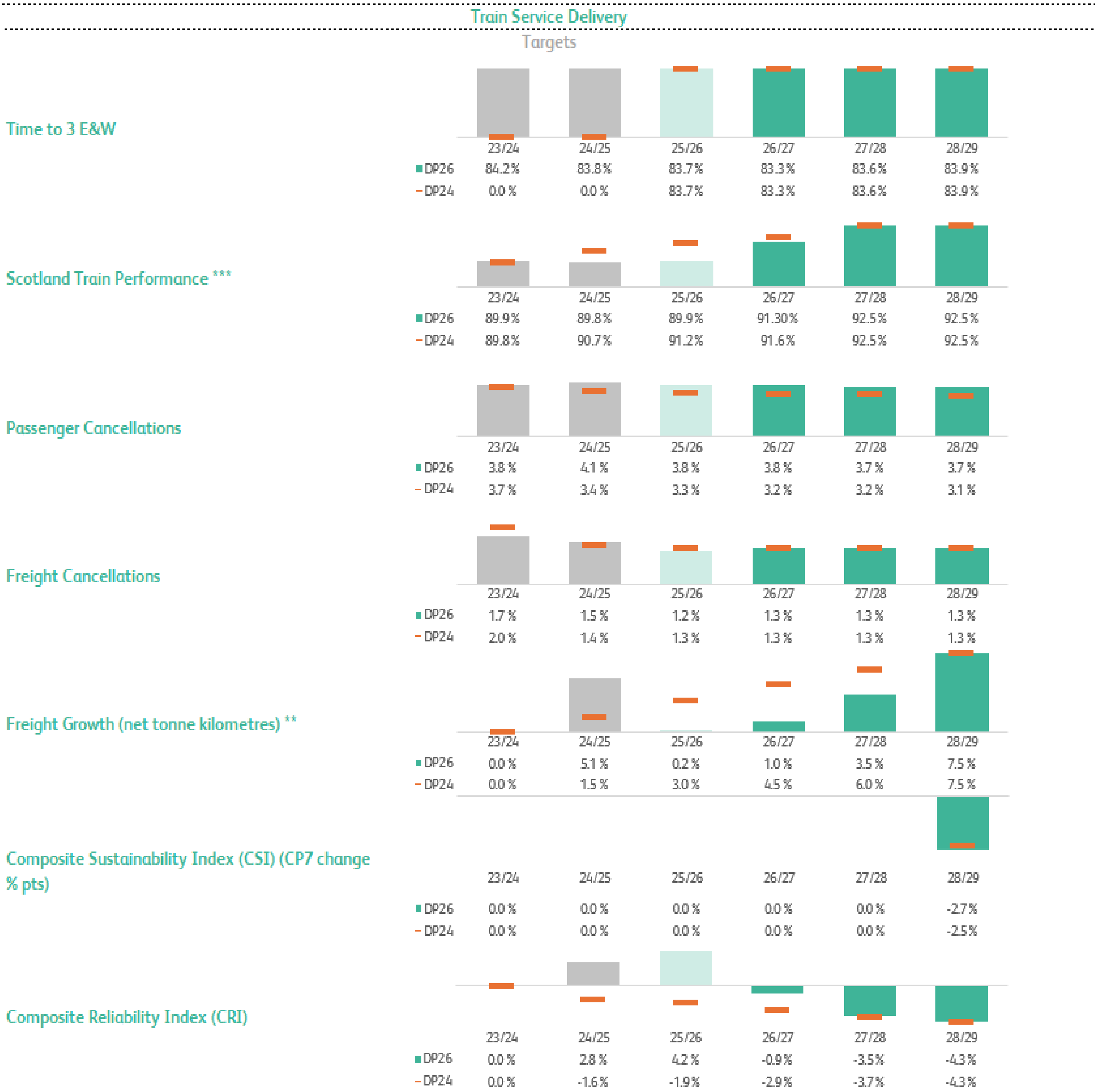
- Technology is central to our security plans, helping us to improve control of access to buildings and cyber security, and install AI-CCTV to identify and respond to risks quickly.
- We will increase patrolling, cameras and trembler alarms at key locations to prevent trespass and suicides.

Train service delivery

Our ambition: Delivering reliable and punctual train services.

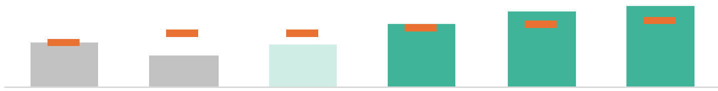
Our key 2024-2029 train service delivery objectives and targets

- Give passengers and freight users the highest levels of train performance possible.
- Minimise asset failures that affect the train service.
- Improve resilience of the operating plan.



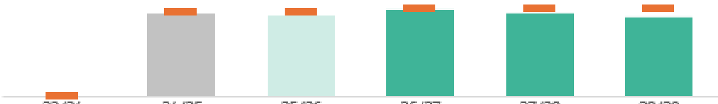
Measure		23/24	24/25	25/26	26/27	27/28	28/29
Time to 3 E&W	DP26	84.2%	83.8%	83.7%	83.3%	83.6%	83.9%
	DP24	0.0%	0.0%	83.7%	83.3%	83.6%	83.9%
Scotland Train Performance ***	DP26	89.9%	89.8%	89.9%	91.30%	92.5%	92.5%
	DP24	89.8%	90.7%	91.2%	91.6%	92.5%	92.5%
Passenger Cancellations	DP26	3.8%	4.1%	3.8%	3.8%	3.7%	3.7%
	DP24	3.7%	3.4%	3.3%	3.2%	3.2%	3.1%
Freight Cancellations	DP26	1.7%	1.5%	1.2%	1.3%	1.3%	1.3%
	DP24	2.0%	1.4%	1.3%	1.3%	1.3%	1.3%
Freight Growth (net tonne kilometres) **	DP26	0.0%	5.1%	0.2%	1.0%	3.5%	7.5%
	DP24	0.0%	1.5%	3.0%	4.5%	6.0%	7.5%
Composite Sustainability Index (CSI) (CP7 change % pts)	DP26	0.0%	0.0%	0.0%	0.0%	0.0%	-2.7%
	DP24	0.0%	0.0%	0.0%	0.0%	0.0%	-2.5%
Composite Reliability Index (CRI)	DP26	0.0%	2.8%	4.2%	-0.9%	-3.5%	-4.3%
	DP24	0.0%	-1.6%	-1.9%	-2.9%	-3.7%	-4.3%

Service Affecting Failures (SAFs)



	23/24	24/25	25/26	26/27	27/28	28/29
DP26	23,307	22,940	23,224	23,850	24,204	24,346
DP24	23,301	23,576	23,531	23,700	23,801	23,938

Passenger Only Delay Minutes per 1000 Miles Train Travel (Network Rail contribution)



	23/24	24/25	25/26	26/27	27/28	28/29
DP26	0	32.1	31.8	33.4	32.3	30.8
DP24	0	32.8	32.8	34.3	34.3	34.3

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.

* Performance on Network Rail Network only

** Time to 3 table reflective of performance targets set as a part of the 2+3 train performance reset.

*** The above visuals indicate our latest forecast for Freight Growth in CP7, but we are not seeking to alter our original Freight Growth target as published in CP7 Final determination at this stage. The forecast will be reviewed again during Year 3 to determine if the target needs to be revised.

A summary of our progress so far

- We are currently underperforming against our passenger train performance targets at a national level (albeit there is variation across our regions). This is due to several reasons, including the increasing impact of external incidents (such as trespass), infrastructure assets, fleet and train crew.

- The level of cancellations has fallen significantly this year as train crew challenges are being tackled but remain above targets. We are working with industry colleagues through the Network Performance Board (NPB) to drive improvement. The NPB's Performance Restoration Framework targets improvements in the resilience of the operating plan, the availability of operational resources, reliability of infrastructure, reducing the impact of trespass, and keeping trains safely moving at times of disruption.

- To further improve collective performance in Scotland, a collaborative root and branch review of performance with ScotRail Trains, creating a set of commitments to sustainably improve train service performance.

- Due to uncertainty in industry performance plans at the time of ORR's CP7 Final Determination, ORR committed to reset passenger train performance targets and Schedule 8 parameters for years 3-5 of CP7 (excluding the Scotland Train Performance Measure). ORR has made final decisions on regulatory targets and incentives, following consultation with industry and thorough review of Network Rail's plans. This Delivery Plan update sets out our revised targets for the remainder of CP7.

- The Railfreight market has had a challenging year with variability in freight volume driven by wider economic conditions. Network-wide volumes are now marginally above the regulatory target for year 2, with exceptional growth in year 1 ensuring we stay ahead of target so far. Construction traffic is predicted to recover in 2027 which will support us in delivering the CP7 target.

- In partnership with the rail freight sector, Scotland developed a year 2 action plan, the delivery of which was monitored through Scotland's joint performance board. The plan is on track to deliver against agreed milestones to support growth. This year, Scotland has also worked closely with the rail freight sector and potential new customers to develop new opportunities for the next 12-18 months.

Key initiatives

Promote high levels of train performance for passengers and freight

- Whole industry effort is critical to deliver the best performance and we are working closely with operators to deliver this ahead of reform, with the first integrated railways now operational.
- The NPB is challenging all parties to deliver higher performance with a focus on the five pillars of the Performance Restoration Framework. Joint Performance Strategies between our routes and train operators will drive local responses to these priorities.
- We have established an industry trespass programme, embracing better use of data, application of new technology and refinement of policies for managing and following up after incidents – to drive down the impact of trespass on the railway.
- The Keeping Trains Safely Moving Programme is delivering industry training in operational decision-making to enable more dynamic response to incidents and keep trains moving when safe to do so.
- We will support freight traffic growth through investment in key freight corridors, enabling heavy freight traffic, optimising train paths and improving freight reliability.
- The Industry Performance Innovation Fund continues to unlock new approaches to address our performance challenges. To date 49 schemes have been funded with 10 schemes completed. This includes trials of On Train Cameras to identify issues with the track and lineside (removing the need for manual inspection and enabling pro-active intervention), mobile bladders to tackle flooding, and remote TRT buttons embedded in platform dispatch batons to speed up station dwells.

Minimise asset failures that affect the train service

- We will renew assets to reduce the risk of failures on the busiest lines which have the biggest knock-on impact across the network.
- As set out on pages 26 - 29, due to the continued impact of inflation as well as wider pressures on our plan, we have had to make some changes to our renewals plan, profiling and reducing activity over the remainder of CP7. This change will impact our CSI forecast and we are working with ORR to explore resetting our regulatory CSI target using the regulator's CP7 managing change policy.
- We will invest more in remote infrastructure monitoring to predict and prevent asset failures that can cause delay, and maintenance to keep services moving.
- We are investing £2.6bn to protect our most susceptible assets from extreme weather and climate change, in particular earthworks and drainage, to support reliability.
- We will use technology to better understand how and when our assets are impacted by severe weather and use this information to keep services running as long as it is safe to do so.
- We will use improved measurement of the timeliness and effectiveness of our management of asset failures to optimise our response and reduce the performance impact.

Improve the resilience of the operating plan

- We are using new data sources and analytical capability to improve our understanding of the real causes of small ("sub-threshold") delays, to enable appropriate actions to be taken to manage them.

- We will use timetable modelling tools to rigorously evaluate future timetable changes to optimise performance, and to better inform choices over the use of network capacity.
- We will systematically measure and analyse the performance of the operating plan to identify incremental improvements both to the accuracy of the plan and to the way in which it is operated

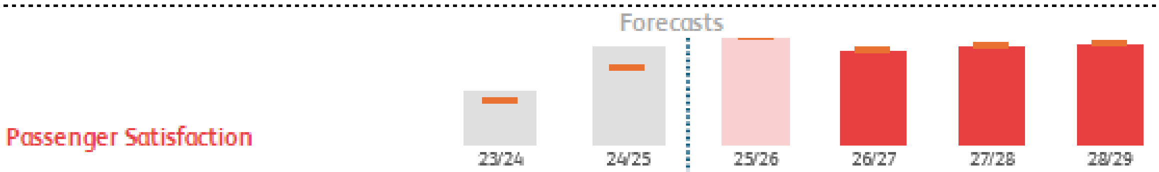
Customers & communities

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

Our key 2024-2029 customers & communities objectives and targets

- Deliver inclusive and accessible services and facilities.
- Embed customer-led thinking in current and future ways of working.
- Drive a sustained step-change in passenger information, particularly during disruption.
- Make stations safe, secure and sustainable places and support local communities.
- Improve relationships with our lineside neighbours.

Customers and Communities



	23/24	24/25	25/26	26/27	27/28	28/29
DP26	7.79	7.83	84.90 %	83.82 %	84.05 %	84.25 %
DP24	7.78	7.81	84.90 %	83.82 %	84.05 %	84.25 %

Note: Grey columns are confirmed outturn for past years. Lighter coloured columns are forecasts for the current year. 23/24 and 24/25 measured by wavelength survey. 25/26 - 28/29 measured in the new RCXS Survey.

A summary of progress so far

- The Rail Customer Experience Survey was launched in Autumn 2025, replacing the previous wavelength survey. It provides consistent, reliable insight into passenger experiences. Initial results indicate that passenger satisfaction is high, with 88 % of passengers stating satisfaction with their key overall journey. Key driver analysis is being undertaken to understand what shapes passenger opinion, and how to drive improvement.
- Our Customer Service Academy training has continued to educate the rail industry and equip our teams to put customers at the heart of what we do.
- For our lineside neighbours, we continue to use our digital notification system which allows residents and businesses to receive timely and detailed information by email, rather than traditional print letters about railway work that Network Rail is carrying out near their home or place of work.
- The Accessibility Roadmap was published by government in November 2025 with the aim of creating a railway that is accessible, inclusive and welcoming to all. The actions to be led by Network Rail include critical information improvements, an industry BSL solution and live lift and crowding information.
- The Access for All programme, to make stations and platforms more accessible, has delivered nine projects already in 2025/26 with a further three forecast to be successfully delivered by the end of the financial year.
- In Scotland, working collaboratively with LNER, a new family lounge at Edinburgh Waverley opened in late 2025, providing families with a quiet place to relax before travelling in a welcoming stress-free environment , offering child-friendly activities, including games, sensory displays and a play area.

Key initiatives

Deliver inclusive and accessible services and facilities

- A suite of accessibility prioritisation tools and analysis using DfT's station audit data set will help us make informed choices between different types of accessibility improvement.
- We are committed to providing great passenger assistance at the stations we manage through continuous improvement plans and effective collaboration with operators.
- Using our Diversity Impact Assessment tool, when making changes we will consider the needs of a wide range of customers and deliver an inclusive experience at our stations.

Embed customer-led thinking in current and future ways of working

- Continual service skills training is part of our training plan for our people, to embed a great service philosophy and cater for customers with a wide range of needs.
- Service programmes in regions and functions will roll out accredited customer service training that has been tested across the industry.
- 'One team working' at stations is a key initiative to improve service for passengers across stations on the network, bringing together people and information ahead of reform to manage station operations and service disruption better for customers.

Drive a sustained step-change in passenger information, particularly during disruption

- Network Rail will play a leading role in the industry customer information strategy to provide passengers with better information about the station and their journey.
- We will invest in customer information screens at our managed stations and work with industry partners to improve station operations and management of service disruption.

Make stations safe, secure and sustainable places and support local communities

- We are changing signage at some of our stations so passengers can find their way around more quickly and safely and investing in CCTV to improve safety and security.
- Our strategy for retail at stations focuses on local needs and exciting retail opportunities.
- We will reduce our environmental impact through more efficient lighting, heating and ventilation, improved building controls and enhanced recycling and waste management.

Improve relationships with our lineside neighbours

- We will continue improving the process to notify our lineside neighbours of engineering works that may be noisy and late at night with a digital notification option.
- Our 24/7, 365 days a year contact centre, offering a range of digital and non-digital channels, lets our neighbours contact us for information, or to tell us something's wrong.

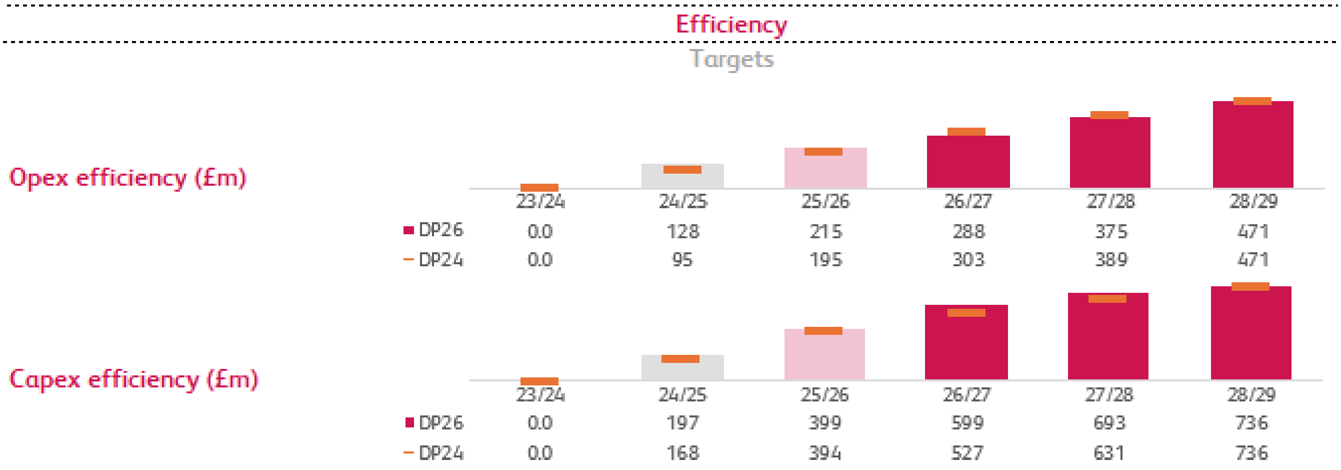

Photo by Chris Ashworth

Efficiency

Our ambition: Run a safe, reliable and efficient railway.

Our key 2024-2029 efficiency objectives and targets

- 15 % efficiency on our capital expenditure (savings of £2.5bn in CP7).
- 10 % efficiency on our operational expenditure (savings of £1.5bn in CP7).
- Seeking to deliver a further £200m of efficiencies, over and above our £3.9bn regulatory target.
- Work with industry partners to make the best financial decisions for the whole industry.



Note: These targets are from a CP6 exit baseline. Lighter coloured columns are forecast for the current year.

A summary of progress so far

- We have made good progress on delivering efficiencies in the second year of CP7, on track to achieve savings of £614m.
- Regions have started to see benefits from the way they are working with their supply chain and planning how they deliver their renewals work thanks to undertaking a supplier pulse check survey alongside industry trade associations. Findings have helped to inform targeted actions, and a repeat survey in planned for 2026 to help track progress.
- We've found more efficient ways to access the network for engineering work and have been able to deliver the same outputs at a lower cost across our assets.
- Much closer collaboration between our regions and the Route Services function has enabled improved contractual rates and better optimisation of our On Track Machine fleet, allowing delivery of more volumes in every shift, generating efficiencies and freeing up time for the delivery of more maintenance activity.
- Our Research, Development and Innovation work has realised savings and improvements, including laser measurement to scan and measure rails within switches and crossings units and digitised lineside inspections that replace manual inspection processes for lineside vegetation management.

Key initiatives

15% efficiency on our capital expenditure

- Project SPEED (Swift, Pragmatic and Efficient Enhancement Delivery) and PACE (Project Acceleration in a Controlled Environment) principles will continue to help cut the time and cost of renewals and enhancements delivery with the right tools and mindset to drive £104m of efficiency.
- We expect to deliver £195m of efficiency through reform of our technical standards to reduce complexity that can add unnecessary cost to running the railway, while maintaining safety.
- We will apply 'high-street principles' using 'non-rail' contractors for works that do not directly affect our infrastructure, particularly in our buildings.
- Smarter and more efficient ways of working with our supply chain will enable deeper alliances to drive win-win commercial relationships. Better workbank planning and synergies are expected to deliver £300m of efficiency.
- We are applying minimum viable product (MVP) principles to our work, which means we plan to deliver the lowest cost and specification solution that still delivers the outcomes customers need.

10% efficiency on our operational expenditure

- We have introduced a Management Efficiency Programme (MEP) to support the identification of efficiencies to enable Network Rail to operate within its allocated funding for CP7. The programme was established to support the business to deliver our £3.9bn efficiency target for CP7, proposals have been tested with subject matter experts as part of an independent assurance review to ensure that cost reductions do not come at the expense of delivery capability, safety and compliance. Consultations are on-going with union representatives, and subject to finalising these discussions, the aim is that a phased implementation of the programme will go live in 2026.
- We are continuing to modernise our approach to delivering maintenance work on the network. We have introduced better, safer ways of working, only sending the right number of people with the right skills, to do the right work at the right time – safely.
- Network-wide functions will limit consultancy expenditure and other bought-in services.

Work with industry partners to make the best financial decisions for the whole industry

- Through closer collaboration across the industry, we will drive around £278m of efficiency through improved engineering access planning.
- Whole industry working will enable more efficient operations at managed stations and control centres. We are exploring these opportunities ahead of reform, laying the foundation for GBR.

Sustainable growth

Our ambition: Serve the nation with the cleanest, greenest mass transport.

Our key 2024-2029 sustainable growth objectives and targets

- Reduce carbon emissions.
- Prepare the railway infrastructure to minimise the impact of climate change.
- Deliver a net gain in biodiversity.
- Improve air quality.
- Minimise waste and use of materials.

Carbon Emissions - Scope 1 & 2 Reduction (CP7 change % pts)

	23/24	24/25	25/26	26/27	27/28	28/29
DP26	0%	-3.0%	-11.2%	-15.2%	-19.4%	-23.6%
DP24	0%	-2.0%	-5.0%	-9.0%	-14.0%	-20.5%

Biodiversity Units Net Gain (CP7 change % pts)

	23/24	24/25	25/26	26/27	27/28	28/29
DP26	0%	0.2%	1.2%	2.2%	3.2%	4.2%
DP24	0%	0.2%	1.2%	2.2%	3.2%	4.2%

Note: These targets are from a CP6 exit baseline. Lighter coloured columns are forecasts for the current year.

A summary of progress so far

- We continue to reduce scope 1 and 2 carbon emissions and are now at a reduction of 40% from our CP5 exit baseline, through initiatives such as reducing diesel usage and beginning to transition our road fleet to zero emission vehicles. We now have 484 zero emission vehicles in our road fleet.
- We have become PAS 2080 certified, supported by Network Rail establishing an approach to measuring the whole life carbon impact of our renewals activity and publishing our first carbon management standard for enhancements.
- We have published our fifth State of Nature report, providing us with our fifth data point which has shown that we have met our no net biodiversity loss target.
- We delivered £284m of social value through 149 projects, which has been supported through embedding Public Procurement Notice (PPN 002) within our contract and procurement process. We have supported the creation of a cross-industry Social Mobility Employee Network, called Beyond Barriers, with over 200 employees across 25 organisations signed up.
- We are advancing our climate change adaptation work by rolling out adaptation pathways across all regions, integrating adaptation into our investment planning guidance and processes, delivering elearning on climate adaptation and nature-based solutions and developing tools and updating guidance to support the business deliver a wide range of adaptation related activities. We are also

making progress in delivering our resilience related asset renewals and operationalising the tools being developed by the Weather Risk Taskforce (WRTF).

Key initiatives

Reduce carbon emissions

- We will continue to embed PAS 2080 into the business by publishing the second module of the carbon management standard series that will support renewal projects and setting targets for our scope three emissions.
- We will continue to reduce our scope 1 and 2 carbon emissions by transitioning our road fleet to zero emissions vehicles and invest in charging infrastructure across the network.

Prepare the railway infrastructure to minimise the impacts of climate change

- We are investing £2.6bn over CP7 in improving the resilience of our assets to extreme weather events in CP7, including track assets to reduce the risk of heat-related track-buckling, drainage to reduce flooding (including additional regional drainage resource) and earthworks to reduce the risk of landslips.
- Our Weather Risk Task Force will support updates to our operating processes and should enable us to apply weather interventions and operational changes in specific high-risk areas rather than across a whole area of the network so that we avoid unnecessarily disrupting passengers (e.g. by avoiding a blanket temporary speed restriction).

Deliver a net gain in biodiversity

- We will continue to support nature's recovery including reviewing the managing biodiversity standard and related guidance notes to allow Network Rail to move away from just clearing vegetation on our lineside, to assessing, maintaining and enhancing the life on our land, while still tackling risks like falling trees. We will continue to create habitat management plans and increase the capability of our people to understand how we can carry out work differently to protect and enhance biodiversity.

Improve air quality

- We are working closely with RSSB and the Department for Transport to drive whole-industry improvements in air quality. As part of this work, we continue to liaise with operators, rolling stock companies, our supply chain, and others to develop, update and deliver whole-industry air quality improvement plans.

Minimise waste and use of materials

- We will continue to report the amount of materials we re-use within our supply chain, enhancing the way we forecast re-use rates and how we can use this data to inform improvement projects. Improvement projects will include initiatives such as embedding circularity into our standards, ways of working, and contracts.

Maximising positive outcomes for our people, passengers and communities

- We will identify barriers to travel for underrepresented groups and design an action plan to address those to help create a more inclusive and accessible railway.
- We will improve the way we report social value activities of capital projects to help us understand the value the railway brings to Great Britain.

People

Our ambition: Become a high performing, service-led organisation with an engaged and skilled workforce.

Our key 2024-2029 people objectives and targets

- Enable a great employee experience through an engaging, safe and inclusive culture where everyone feels valued, safe, and able to realise their potential.
- Right people, right place, right time with a talented, appropriately trained, diverse workforce.
- Great leadership, by developing, empowering and enabling our leaders.
- Better work through continuous improvement in a modern and flexible organisation.

People

Forecasts

Employee Engagement	23/24	24/25	25/26	26/27	27/28	28/29
DP26	51 %	52 %	53 %	54 %	55 %	55 %
DP24	49 %	50 %	51 %	52 %	52 %	52 %

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

A summary of progress so far

- Our employee engagement at the end of last year was higher than forecast and we aim to continue to outperform in our annual survey in March 2026.
- Embedment of our new equity, diversity and inclusion strategy and reasonable adjustments programmes is making it easier for Network Rail people with disabilities to access the adjustments they need quickly. We have seen significant increases in ethnicity representation, especially in leadership and frontline roles.
- We improved our strategic workforce planning with new tools and recruitment process improvements resulting in recruitment in our signalling and maintenance organisations, positively reducing the vacancy gap.
- Our 'model delivery unit' programme has improved core practices and continues to generate improvements, efficiency and higher engagement in our front line teams.
- We have been at the forefront of establishing the South Eastern, South Western and Anglia Integrated Railways and established a unified Leadership Academy to accelerate development of senior leaders across the rail industry, preparing them to lead within an integrated GBR.
- As part of our talent and succession strategy, our 'empowering talent' toolkit is encouraging career conversations and opening up opportunities at all levels.
- We've increased the number of accredited coaches and inspire young people through STEM initiatives aiming to tackle the industry's skills gap
- We have established an integrated system-wide approach to talent identification and succession planning
- We have defined the first draft of a high level operating model for GBR, working collaboratively with DfTO, that is subject to approval.

Key initiatives

Enable a great employee experience through an engaging, safe and inclusive culture

- We will continue investing in our leadership and front-line leadership capability, the design of work and participation by the people who do the work, with an increased focus on more participation in problem solving and continuous improvement.
- We will focus on removing barriers in our culture and processes that prevent people accessing what they need to realise their full potential.
- We will continue to review and update our rewards and benefits packages to reflect a competitive market and business priorities.
- We will continue to enable integrated Communities of Practice to actively work together to tackle key issues, share information, and contribute to the design of the GBR proposition, supporting an integrated inclusive culture of collaboration.

Right people, right place, right time

- We will continue to implement strategic workforce plans for a strong pipeline of talent and industry resilience. We will work with industry to anticipate and meet the future critical skills needs of the workforce for the remainder of CP7 and beyond.
- A refreshed competence policy and standards will improve how we manage, monitor, assure and reinforce training and competence with a gain/maintain approach that is owned and delivered locally.
- We will increase the number of apprentices, graduates, and placements for year in industry students, including leading the industry in the development and implementation of industry- wide apprenticeships.
- We will continue to work with stakeholders to establish a unified, strategic resourcing approach for Day 1 of GBR. We will support design by identifying what would be beneficial to take forward and support cultural transformation.
- We will continue to embed an integrated system-wide approach to talent identification and succession planning, with a focus on critical and executive roles, supported by consistent metrics and validation methods.
- Re-skill, STEM engagement and early careers commitments to tackle the industry skills gap.

Great leadership

- We will continue regional talent review forums, succession plans for critical roles and building industry career pathways to through our empowering talent toolkit and our Rail Industry Talent Exchange.
- We will develop training package options for professional skills and technical training as well as continuing higher education to benefit individuals, teams, and the industry.
- We will increase our mentoring and coaching, offering increasing the number of accredited coaches and continue to provide access to development/mentoring programmes for industry colleagues.
- We are embedding the Leadership Academy for industry senior executives and advancing talent and succession strategies across the wider industry.

Better work from continuous improvement

- We will reduce the hassles and frustrations of our people that stem from poorly designed work processes by improving how effective our local leaders are, designing work so it is more efficient and leveraging technology improvements.
- We will continue to work with our local front-line teams to build model delivery units (responsible for maintaining parts of our network) by identifying how all aspects of the unit can be systematically improved.

Our income and expenditure

Introduction

In this section we provide an overview of our CP7 years 1 and 2 income and expenditure (based on a forecast for year 2 outturn at February 2026) and our planned income and expenditure for years 3-5 of CP7, highlighting any changes from our March 2024 CP7 Delivery Plan.

Area of our plan

Operations Planned expenditure Mar 2026 **£5.0bn** Mar 2024 **£4.4bn**	Operations covers everything from our station staff who run our major stations, controllers who make decisions about how to deliver the best train service for customers and lead our response to severe weather, and signallers who are responsible for the safe and effective movement of trains and enabling of maintenance colleagues' access to the railway. There are also Mobile Operations Managers (MOMs) who primarily lead the response to incidents, controlling operations on the ground.
Support Planned expenditure Mar 2026 **£5.4bn** Mar 2024 **£5.3bn**	Our support activities include work undertaken by our network-wide functions, including Route Services, Technical Authority, System Operator and our corporate services (HR, communications and finance). Some support activities are also, in part, devolved to our regions (e.g. HR and comms).
Maintenance Planned expenditure Mar 2026 **£13.7bn** Mar 2024 **£12.6bn**	Maintenance is the day-to-day upkeep of the network and is critical to keeping the railway safe whilst supporting a punctual and reliable train service. There are two types of maintenance: • Planned preventative maintenance – performed regularly to monitor the status or the condition of railway assets (e.g. inspections) and intervening to reduce the likelihood of the asset failing and causing disruption to the network. • Reactive maintenance – a task that arises during the day-to-day operation of the railway.
Renewals and other capital expenditure Planned expenditure Mar 2026 **£18.7bn** Mar 2024 **£19.3bn**	This comprises two key areas: • Core asset renewals – the replacement or life extension of our core assets (e.g. track, structures, drainage) when they have reached the end of their working life, are obsolete, or have degraded to a state where safe operation and reliable performance can no longer be realised. • Other capital expenditure – predominantly comprises our key national programmes including Research Development & Innovation (RD&I) and Electrical Safety Delivery (ESD).
Industry costs and rates Planned expenditure Mar 2026 **£2.0bn** Mar 2024 **£2.0bn**	Our CP7 Delivery Plan includes forecast industry costs and rates, which includes property (Cumulo) business rates, ORR, and Rail Safety and Standards Board (RSSB) costs. These costs are largely outside of Network Rail's control.

Note: The figure above does not cover CP7 risk funding, which is discussed further on pages 34-35.
The March 2024 delivery plan numbers are in cash prices based on the November 2023 OBR inflation forecast.

CP7 operations and support

Operations

Operations is at the core of our daily activities, safely and effectively running around 22,000 passenger and freight services across the network each day. In CP7, we expect to spend £5bn on our operational activities, which is £0.6bn higher than in our March 2024 Delivery Plan (of which £0.4bn of this increase has occurred over the past year). The main driver of this increase in expenditure is the continued impact of inflation on our operational activities and costs, which is covered by the reallocation of the input price inflation provision within our risk fund to operations.

Our national priorities for operations

- **People:** We continue to enhance the capability of our people. This includes further developing our competence management frameworks to deliver better safety and performance outcomes in CP7. Over the past year, we have strengthened assessor capability and continue to enhance the quality and consistency of competence assessments. We have also begun to professionalise operational roles with the introduction of recognised qualifications for signallers, and developed a clear strategic workforce plan, building on progress made in CP6 and in the first years of CP7.
- **Process:** Network operations will vary across the country reflecting local factors (e.g. weather, service frequency, passenger numbers). So, we apply locally appropriate standards and processes, reflective of relevant systems and geography. We continue to refine our response to severe weather to make sure we are balancing whole system risk across maintenance, safety and operational performance, supported by developing clear decision pathways and more consistent operating principles through initiatives, such as Operational Decision Making Keep Trains Safely Moving initiatives.
- **Technology improvements:** We continue to deploy and embed new technologies which transform the way we undertake operational activities in CP7. We have introduced new training technology with the latest signalling simulators and virtual reality facilities for training our responders. The use of drone technology is being driven forward – not just for infrastructure management but for incident response too, and we are working on developing joint capability with the British Transport police to respond to incidents faster. In addition, we continue to progress control and digital signalling tools, helping increase support on real time regulation decision making and service recovery as CP7 progresses towards Funding Period 1 (FP1) – previously referred to as CP8.

Support

Our network-wide functions continue to provide overall support across the business. Most of our support costs are business as usual activities, including HR, communications, finance and property management.

It also includes key activities provided by our Route Services and Technical Authority network-wide functions, including the provision of corporate services such as IT and telecoms as well as the technical support provided to our regions and network-wide functions on asset management activities and standards.

We continue to closely control the headcount and expenditure of our support functions to ensure that they are lean and provide value to our regions and delivery teams in our routes.

Maintaining and renewing our railway (incl. other capital expenditure)

Our asset management plans comprise our planned maintenance and asset renewals activities, with both activities intrinsically linked, as well as reactive maintenance activity. As set out in our March 2024 Delivery Plan, in light of the tight funding settlement, we identified opportunities to reduce our asset renewals expenditure by obtaining further life from our assets through increased minor works and maintenance activity.

We are also further implementing new technologies which enable us to make more informed and proactive decisions about maintaining and operating the railway, including through our Intelligent Infrastructure (II) (now referred to as Digital Toolkits) and Infrastructure Monitoring (IM) programmes (see pages 31-32 for more detail).

Maintenance

We have continuous, comprehensive programmes to inspect our assets, either in person or through remote (lineside or train-borne) monitoring systems. When necessary, we intervene by undertaking both proactive and reactive maintenance activities to ensure the reliability and safety of our infrastructure.

Our regions and routes are responsible for planning and delivering maintenance activities. They are supported by our Technical Authority, which sets company policy and develops the processes, standards, procedures, decision support tools, and monitoring technology necessary for effective maintenance. Plus, Route Services provides crucial support to maintenance activities, ensuring that all regions have the resources and guidance they need.

Throughout CP7, we are increasing our regional maintenance expenditure compared to CP6 (on a pre-efficient basis) as part of our overall asset management plan. This increase is reflective of several factors:

- renewals activity: the level of renewals activity we expect to undertake over the control period.
- asset resilience: improving our assets' resilience to extreme weather and climate change.
- vegetation management: increasing our management of vegetation to prevent disruptions and ensure safety.
- support for new assets: undertaking maintenance activities to support new assets delivered through enhancement schemes, such as East West Rail.

We've successfully completed our planned maintenance activities in year 1 of CP7 and are on track to deliver our planned maintenance volumes in year 2 of CP7.

For years 3-5 of CP7, we have increased our investment in maintenance compared to our March 2025 and March 2024 delivery plans (i.e. £0.3bn compared to our March 2025 delivery plan update, and £1.1bn compared to our March 2024 delivery plan). This increase is primarily due to two key factors:

- to account for a reduction in renewals activity over years 3-5 of CP7 (discussed further below) and minimise the impact on whole industry outcomes.
- the continued impact of high levels of inflation.

To enable the step up in maintenance activity in light of the reduction in renewals, we have started to recruit additional maintenance teams to ensure we remain well equipped to achieve our objectives and also to reduce the volume of outstanding maintenance activities (so we return to pre-COVID levels). These measures support us in delivering a reliable and safe infrastructure through supporting both new and existing assets throughout the rest of the control period.

Renewals

In CP7, we plan to invest £18.7bn in our renewals activity, including asset renewals (e.g. track, signalling, earthworks) as well as wider capital investment in key programmes. See figure 1 for a breakdown in renewals investment.

Our delivery of renewals activity to date has been positive, but due to supply chain and material costs being higher than originally forecast (reflected in the framework agreements we have entered into with the supply chain) as well as wider pressures on our plan (e.g. closing the funding gap which is a result of material levels of general inflation since the SoFA and wider government decisions such as Employers' National Insurance increases), we have had to make some tough choices, including reprofiling and reducing our renewals activity (balanced across multiple assets) in England and Wales, and reducing our investment in key capital programmes (e.g. digital signalling – see page 30) over the remainder of CP7. Scotland's railway remains on track to deliver its planned renewals volumes, utilising its risk fund to manage the wider financial pressures it continues to face.

In summary, our renewals investment has reduced by c.£0.6bn compared to our original Delivery Plan (a reduction of £0.4bn from our March 2025 Delivery Plan update).

We have sought to minimise the scale of the reduction in renewals activity and the impact on key industry outcomes (e.g. safety and train performance) by increasing our maintenance activity and further embedding market-led thinking into our plans.

To enable this increase, as well as minimise the scale of the reduction in renewals activity, we are pushing to deliver a further £200m of efficiencies, which will also be reinvested in renewals and maintenance activity over the remainder of CP7.

Alongside this, we have reprioritised our funding and reallocated £200m from our national programmes (£170m of this is from our digital signalling fleet fitment programme) to our maintenance and renewals activities. At present, this funding is being held in 'other renewals', as shown in Figure 1 below, but will be reallocated to our maintenance and asset renewals activity as we further iterate our plan over the coming months.

Noting the changes to our renewals activity, we have continued to strengthen our assurance of our asset management plans and the changes which we have identified for the next few years. This has been supported by our safety risk assessment framework, which enables us to more thoroughly and consistently understand the detail of the asset and safety risks that we are likely to experience, resulting from lower than planned levels of renewals, and identify mitigations.

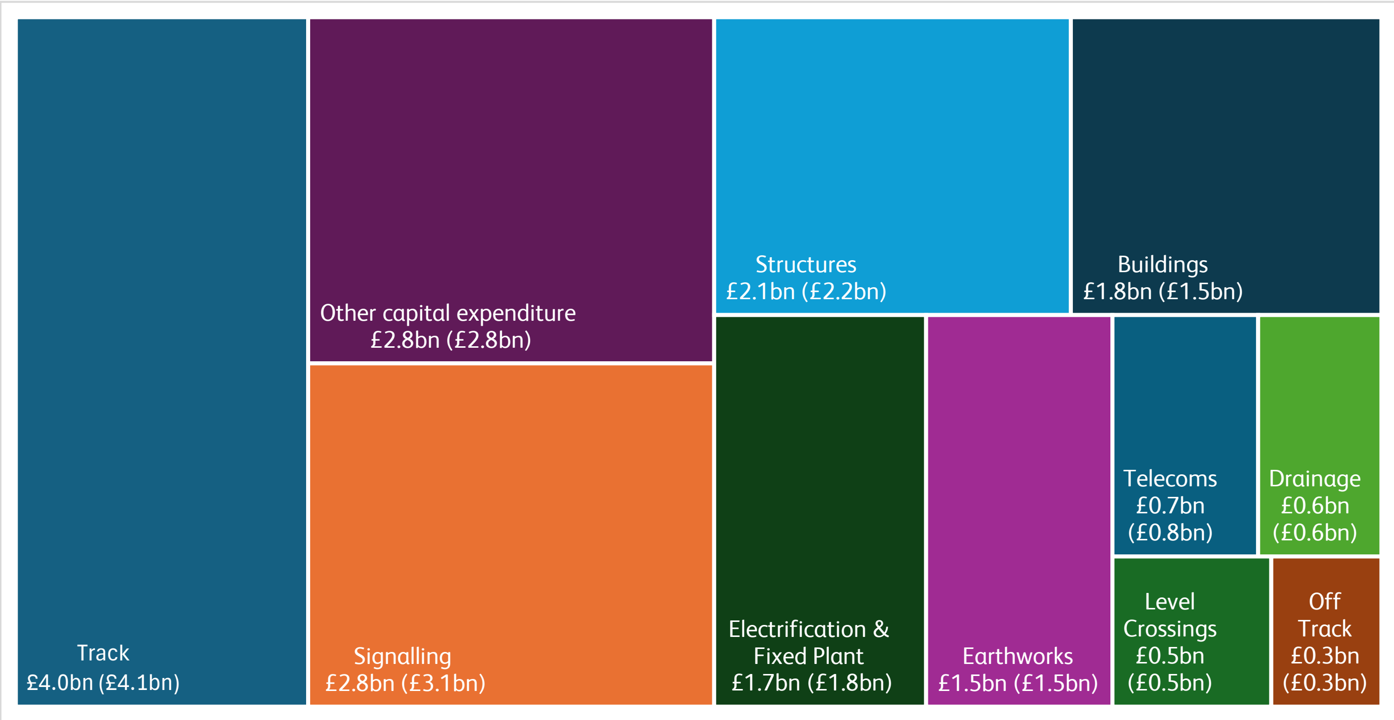
Over the past year, we've further embedded the safety risk assessments for all assets (except telecoms) into national and regional assurance processes and are developing the means to systematically apply this to planning for FP1.

We recognise that changes to our plans can have implications for the supply chain. To better understand these impacts, we worked last year with six rail industry trade associations to undertake a supplier pulse check survey, exploring issues such as workload availability and the stability of the activity pipeline.

The findings (e.g. providing greater visibility of changes to the pipeline) have helped inform the development of targeted actions, some of which are already underway. The survey will be repeated in Spring 2026 to help track progress over time.

Figure 1, below, provides our latest breakdown of core renewals spend by asset type (which doesn't include other capital expenditure), compared to our planned spend at the start of CP7.

Figure 1: Breakdown of planned renewals expenditure in CP7 (vs March 2024 view).



All figures in () are the planned spend on renewals activity in our March 2024 delivery plan, which have been included to enable a comparison and show changes to our plans. The March 2024 delivery plan numbers are in cash prices based on the November 2023 OBR inflation forecast. Please note, the increase in buildings is due to a reclassification of funding within our Route Services plan rather than a true increase in building renewals activity.

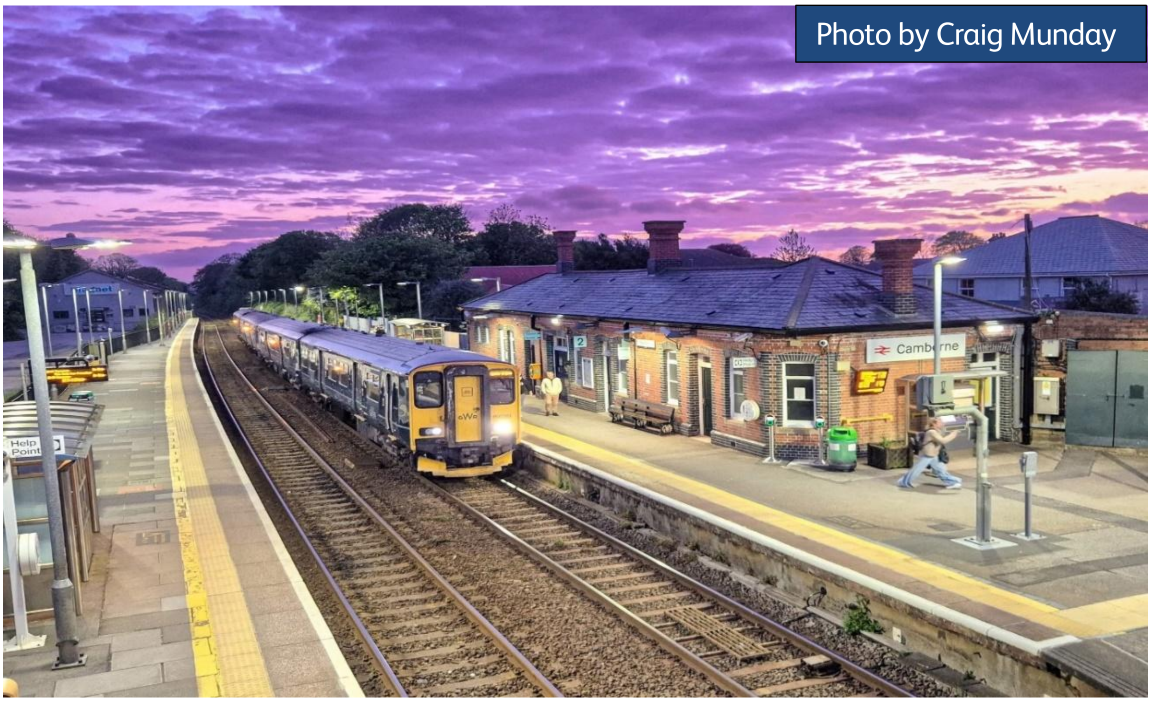


Photo by Craig Munday

Market-led planning

As noted above, over the past year, we have continued to take a market-led approach to updating our CP7 plans – whereby we seek to make asset management decisions that are better informed by the needs of passengers and freight.

In practice, this means focusing our investment on high-value lines, whilst also continuing to consider the wider social and economic value of our railway, including those lines where the railway fulfils a vital social function, or helps to support freight flows. This supports us in making sure there is appropriate intervention on assets across the network.

Our regions have continued to identify new market led initiatives, for example our Eastern region has reviewed its track renewals workbank and identified £16m of market led savings that could be achieved over CP7.

We also continue to share examples of best practice across regions as well as developing tools and guidance to further embed market led thinking, working with stakeholders to deliver a lower cost railway that delivers for customers, stakeholders and the taxpayer.

Whole-industry planning

Whole-industry planning involves working with our customers and stakeholders, in particular train and freight operators, to develop aligned strategies and plans that better enable us to deliver our funders' and wider stakeholders' priorities for rail within the funding available.

Our regions are actively exploring opportunities with train operators ahead of the creation of GBR, with our three new Integrated Railways: South Eastern (combining our Kent Route with Southeastern), South Western (combining our Wessex route with South Western Railway) and Anglia (combining Anglia route with Greater Anglia and c2c) leading the way.

Key integrated opportunities being introduced include integrated stations and integrated control teams, joint performance strategies and teams, sharing accommodation with train operators and trailing innovative engineering access approaches (i.e. taking access to the network to deliver work at different times to reflect changes to customer demand since the pandemic). We will continue to build these whole industry opportunities into our CP7 plans as we progress to GBR.

We are also starting to develop GBR's integrated business plan for FP1 (2029-2034), with a strategic lookahead to FP2 (2034 – 2039), working closely with operators and DfTO. The development of an integrated business plan is required in the Railways Bill that is progressing through parliament and will form the basis for how GBR is held to account in the future.

Ahead of the start of FP1, we are also reviewing the scope of our CP7 Delivery Plans and, working with DfTO, intend to present a more integrated view across track and train as part of our March 2027 Delivery Plan update.

Long-term asset sustainability

As set out in our March 2024 Delivery Plan, reflecting the way we have had to prioritise and allocate available funding to develop our CP7 plans, we expect a small decrease in asset sustainability in CP7, which was recognised by ORR in its final determination.

Over the past year, as noted above, we've made some further changes to our planned renewals activities in years 3-5 of CP7. In light of these changes, our latest modelling indicates that average asset age will increase, compared to the start of CP7, beyond our original regulatory target of -2.5 % in the Composite Sustainability Index (CSI). We estimate that the further decline will be an additional -0.2 % to -0.5 % over the course of the control period (with our current forecast showing -2.7 %).

We are working with ORR to explore resetting our regulatory target for CSI to take account of the latest forecast, using the regulator's CP7 Managing Change Policy.

The longer-term implications for asset sustainability will be considered as part of our planning and engagement with ORR and our funders for FP1.

Our key programmes

We have several key national programmes which form the majority of our other capital expenditure.

- **Digital signalling – fleet fitment and enabling activities programme:** We continue to seek to deploy modern, digital signalling technology (ETCS) across England & Wales in CP7 (noting only a small proportion of enabling activity applies to Scotland).

  We are investing £0.2bn in ETCS signalling renewals, including on the pathfinder scheme on the East Coast Main Line. Other digital signalling schemes, such as the TransPennine Route Upgrade, West Coast North Modernisation, Midland Main Line and Brighton Main Line are undertaking early development work with their allocated signalling partners.

  To support the rollout of the new technology, we need to install new equipment onboard existing passenger trains, freight trains and other rail vehicles and are investing £0.5bn in these fleet modifications and wider enabling activities.

  As we move into year 3 of CP7, we will increasingly transition from strategy and planning into mobilisation and delivery. Based on revised delivery assumptions and scope efficiencies, we have been able to reallocate some digital signalling investment to our regions to manage the impact of the financial challenges we are facing and to support the delivery of wider renewals activity in CP7.

- **Project Reach:** In June 2025, we entered a long-term agreement with two private partners - Neos Networks and Freshwave – to support major investment in replacing legacy telecoms infrastructure with new fibre-optic cable, alongside investment in wireless systems to improve mobile signal coverage at Network Rail stations and in selected rail tunnels.

  The project has entered the build phase. Fibre installation is underway on the London-Cardiff route, forming part of the 1,000 km planned for delivery during CP7. Additional routes are progressing, including Derby-Stoke, Liverpool Street-Cambridge, and Rugby-Northampton–Euston.

  On the connectivity side, Freshwave is advancing site surveys and deployment planning. It has secured agreement with the first Mobile Network Operator and is close to reaching agreement with the remaining two. This first tranche of interventions is expected to be completed and operational during CP7.

  Network Rail's investment requirement for CP7 has reduced by £65m (from £184m to £119m), primarily due to extended commercial and contract negotiations, which impacted the construction start date.

Photo by Simon Bloomfield

- **Research, Development and Innovation (RD&I):** In CP7, we plan to spend £146m to deliver a wide range of RD&I programmes that improve efficiency and value for money of Network Rail's activity, including in how new technology can best support safety, workforce reform and modernisation. We are on track to have invested £48m in RD&I initiatives since the start of CP7 with a revised forecast of £134m.

  At the start of year 2, we reviewed all planned and inflight RD&I projects to determine which projects were driving value for money and reasonable return on investment. This prioritisation exercise resulted in 19 projects being selected to progress (of which six projects have now completed). The projects being delivered range from earthworks track quality trial, panoptic automated bridge examination, track buckle monitoring solutions, ultrasonic contact wire crack detection, to continuation of Solid-State Interlocking (SSI) obsolescence development.

  Despite the good progress to date, due to the wider financial pressures we face, we've slightly reduced our planned RD&I for the remainder of the control period, with this reallocated to maintenance and renewals activities within our regions. We also aim to leverage an extra £70m of co-funding through cross-industry collaboration.

  To date, we've secured £16m (above targeted £13m over the first two years of CP7) in co-funding from a variety of domestic and international sources including collaborative research projects with UKRRIN (UK Rail Research and Innovation Network) universities and the UIC (International Union of Railways).

- **21st Century operations:** The outputs of our 21st Century operations programme, including key training and professional development tools and resources for individuals in operational roles, have been embedded into business as usual (BAU) activities. Over the remainder of CP7, we continue to invest in initiatives that will drive continuous improvements to these outputs, and have recently developed a new initial controller training scheme as well as additional training modules to supplement existing advanced/local signaller training. By embedding the outputs of this programme into BAU activities, we have reduced the cost of these activities over CP7 by £4m.

- **Weather Risk Task Force (WRTF): T**he WRTF continues to champion a more resilient and sustainable railway, providing tools, processes, and training to help the industry run a better service during adverse and extreme weather. A key focus over the coming year is to progress with plans to establish the new Rail Operations Weather Service (ROWS) which will improve weather forecasting capabilities from year four of CP7. We plan to invest £40m in the WRTF in CP7.

- **Freight Safety Improvement Programme (FSIP)**: This £15m programme will improve key areas of freight safety including climate change resilience, terminal operations, derailment reduction, trespass prevention, and operational security. We are already considering 32 new proposals for year three, with an estimated value of £7.5m. This builds on the good progress during the first two years of CP7, where we have delivered several schemes including installing additional security measures at trespass and theft hot spots as well as implementing new walking routes and lighting to improve safety for our FOC colleagues.

- **Key enabling programmes**

  - We are committed to investing into our **Digital Toolkits**, focusing on the continued enhancement of the digital tools developed by our Intelligent Infrastructure (II) programme during CP6.

    In year 2, we have strengthened our digital capability by modernising core tools, improving data quality and governance, and embedding more effective risk-based asset management. This included enhancing MyRoster to manage maintenance rostering and fatigue management and expanding our Network Enterprise Structures and Tunnels (NEST) to consolidate Examination, Scour, RVI and

Evaluation with a single standards-aligned platform to improve compliance and asset risk visibility.

Across Year 3, delivery will prioritise completion of the remaining CP6 scope, including the final release of Scheduleit and delivering further improvements to NEST (e.g. delivering the Assurance Tool).

- Our **Infrastructure Monitoring (IM)** programme is delivering the next generation of digital monitoring and inspection services for our railway. By providing our regions and routes with high quality asset condition data, the programme enables more effective planning of maintenance and renewal activities, helping us deliver a safe, reliable and high performing railway for passengers and freight.

  So far in CP7, we have completed extensive market research and worked closely with the supply chain, laying the groundwork for procurement of the future IM service.

  Looking ahead, we are investing over £30m over the remainder of the control period to further strengthen our monitoring and insight capabilities. This investment will enhance structures and gauging performance, improve track geometry and ultrasonics capability, and expand our In-Service monitoring. Safety and operational resilience will be further supported through the introduction of new Visual Inspection Units.

- Traction power electrical safety remains a significant workforce safety risk, and we are firmly committed to improving safety for everyone who works on the electrified railway. Through **Electrical Safety Delivery (ESD)**, our network change Programme, we continue to support Network Rail's vision of 'everyone home safe everyday'. This year we have made significant progress in delivery of changes to process, standards, competency and culture. Key achievements include completing the Overhead Line Equipment (OLE) electrical risk assessment improvements in North West & Central and Scotland Regions, and a successful trial of a Remote Securing app that enables isolations to be secured more efficiently.

  We continue to make great strides in development of other remote secure solutions and with development of Optimised Earthing. Delivery of conductor rail local securing solutions has also progressed well, and we are on target to achieve our CP7 commitment.

Industry costs, rates and traction electricity

Our plan includes c.£2bn of expenditure on industry costs and rates, which has not changed since our March 2024 delivery plan. This is made up of several areas of spend, including Cumulo rates (£1.9bn), ORR's economic and safety levy (£142m), Rail Safety and Standards Board (RSSB) costs (£79m) and Rail Delivery Group costs (£15m).

We buy electricity on behalf of operators and then off-charge the costs to them. Our plan assumes that Electricity for Traction (EC4T) costs of £4.4bn are offset in full by EC4T charging income from operators. Our latest forecast is £0.5bn higher than assumed in our March 2024 delivery plan due to the price of electricity increasing over the past year. However, as any variance from our EC4T forecast is passed through to operators, we are not exposed to movements in EC4T costs during CP7.


Photo by Amit Nayee

CP7 income

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

Our access charge income forecast (£13.9bn) is based on the charges that were approved by ORR for CP7, which followed extensive industry consultation as part of the periodic review process. This has increased by £0.2bn since our March 2025 Delivery Plan (which is a £0.1bn increase from our March 2024 Delivery Plan). The change over the past year is driven by higher levels of inflation than expected, which results in higher access charges over CP7 than forecast last year. However, overall access charge income remains consistent with our original Delivery Plan because the increase in income from access charges is offset by increased Schedule 8 costs (i.e. a reduction in income).

The commercial income we generate helps to reduce the funding we need from passenger and freight train operators and government. We expect to generate £1.8bn in commercial income over CP7, which is largely in line with our original forecast included in our March 2024 Delivery Plan.

We have agreed five-year grant agreements with DfT (£27.2bn) and Transport Scotland (£2.3bn) that contribute to the support, operation, maintenance and renewal of the network. The England & Wales grant (from DfT) is £0.3bn lower than originally set out in our March 2024 delivery plan. This is primarily due to the £165m stretch to our plan through the 2025 Spending Review, as well as a small proportion of our CP7 funding and activity having been brought forward into CP6 to enable a smoother transition into CP7 (as highlighted in our March 2025 delivery plan update).

Photo by Tamzin James

Risks, uncertainty and opportunities

Recognising the extremely challenging and uncertain economic and environmental context in which we operate, we face many risks and areas of uncertainty in CP7 which may impact the delivery of our plan, some of which have already materialised.

Our March 2024 Delivery Plan included a risk fund of £550m in England & Wales, after adjusting for forecast input price inflation of £0.9bn. Given the funding pressures we have faced to-date in CP7, we've had to draw down more than half of the risk funding, with around c.£170m remaining. In Scotland, we've had to draw down £152m of the £234m risk fund since the start of CP7.

Our March 2024 Delivery Plans in England & Wales also included a funding overlay of £0.9bn which, in large part, was due to higher inflation than assumed when government set CP7 funding in late-2022. We've delivered on our robust management measures that has meant we have eliminated the funding gap – primarily through market led initiatives (which has reduced our renewals spend on lower value lines) and reductions in national programmes investment.

Our key risks

Inflation: We continue to be impacted by the effects of the recent high levels of general inflation. Based on the November 2024 OBR inflation forecast, the value of our CP7 funding has been eroded by c.£2bn since the SoFA was published (£0.6bn more than at the time of our March 2024 Delivery Plan), which used the November 2022 OBR forecast of inflation to set funding. We continue to monitor the latest views of general inflation, and the implications for our CP7 plan.

Climate change: It is becoming increasingly challenging to keep pace with the frequency and intensity of extreme weather events – particularly given most of assets were not designed to withstand the extreme weather conditions we are increasingly experiencing. To mitigate the impact of extreme weather and climate change on our network, we are investing £2.6bn in activities that improve the network's resilience to extreme weather and climate change (most of this investment is on planned maintenance and renewals activities)[1]. We are also developing climate change adaptation strategies that will support us in creating a railway that is fit for the future.

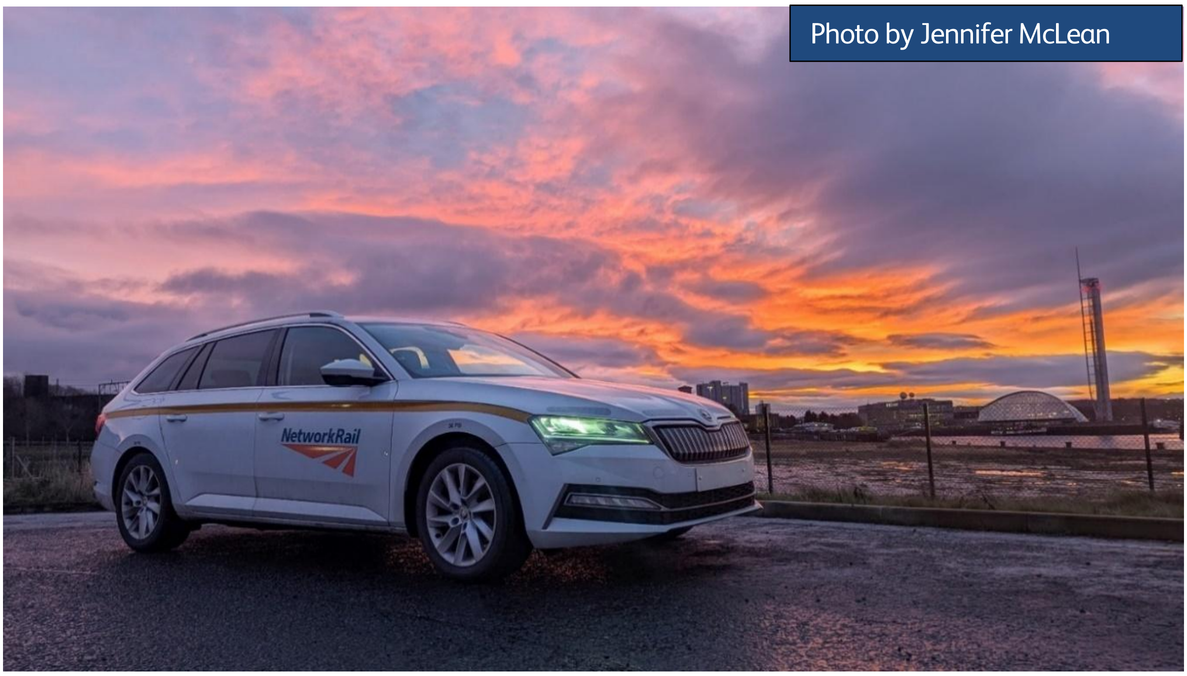


Photo by Jennifer McLean

Supply chain costs: The changes to employers' National Insurance (NI) contributions will impact our supply chain, with the cost of materials, equipment and projects likely to further increase for years 3-5 of CP7 and having a material impact on our plan.

Train performance: We are currently not meeting industry passenger performance targets due to several factors (e.g. extreme weather events and vegetation issues. As a result, to date, we have paid out over £300m in Schedule 8 to passenger and freight operators and are forecasting further payments of c.£90m in years 3-5 of CP7. These costs were not included in our March 2024 CP7 Delivery Plan and, therefore, we have had to draw down on our risk funding to cover this expenditure.

Recognising the uncertainty in forecasting train performance, ORR's final determination committed to reset regulatory passenger train performance metrics, targets and associated Schedule 8 parameters for years 3-5 of CP7.

The reset has now concluded with the updated train performance targets for years 3 – 5 set out on page 14 above. We have worked with train operator colleagues to forecast the impact of performance risks and initiatives, which informed our ambitious yet realistic targets. Much of the uncertainty that led to the performance reset has now stabilised, such as passenger demand and national industrial action. This reduces the risk of further significant Schedule 8 payments over the final three years of the Control Period, but performance is inherently uncertain so some risk remains around these targets.

Our key opportunities

While we face significant risks over the remainder of the control period, there are also several opportunities – most notably through rail reform. The introduction of the Railways Bill into Parliament in late 2025 alongside train operators transferring back into public ownership (overseen by DfTO) is a momentous step forward and we expect to see GBR created prior to the end of this Control Period.

As noted above, ahead of GBR, we are working closer than ever before with train operators to deliver early benefits from integration (e.g. joint stations teams, joint performance initiatives and whole industry efficiency opportunities), most notably through our Integrated Railways. We are committed to delivering tangible benefits of integration prior to GBR day 1 and are actively exploring implementing further Railways as more operators transfer into the public sector.

We also continue to actively explore and pursue other opportunities during the Control Period. For example, through our newly established network-wide function called, GBRX, which has been created as a strategic innovation body to overcome the barriers to adoption of advanced technologies on Britain's railway, working with our industry partners.

We have also recently established Platform4, a new company which brings together expertise from London and Continental Railways Ltd and our Property Team. Instead of working separately, we are now combining forces to turn disused goods yards and underused sites into vibrant neighbourhoods – with homes, green spaces, shops and hotels.

This will unlock surplus railway land for 15,000 homes in the next five years (with 40,000 homes over the next decade), with developments already underway in Manchester, Newcastle, Nottingham and Cambridge. Platform4 will support wider regeneration initiative and enable the creation of new jobs.

[1] Our investment in activities that deliver resilience benefits has reduced by c.£200m since March 2024, with this largely due to the reprofiling of renewals activities in years 3-5 of CP7 to respond to emerging risks (primarily inflation and the higher costs of construction activities than originally planned).

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 expected CP7 exit position compared to our forecast in our March 2024 Delivery Plan publication.

Table A1. CP7 outcomes by strategic theme.

Strategic theme	Measure	CP7 exit (March 2024 Delivery Plan)	CP7 exit (March 2026 Delivery Plan)
Safety	Train Accident Risk Reduction	95 %	95 %
	Workforce Fatalities and Weighted Injuries	0.052	0.056
	Personal Accountability for Safety (PAFS)	751	754
Train service delivery	Passenger On Time to 3 (E&W) [1 2]	84.8 %	83.9 %
	Passenger Cancellations [1 2]	3.1 %	3.7 %
	Scotland Train Performance Measure	92.5 %	92.5 %
	Freight Cancellations [1]	1.3 %	1.3 %
	Freight Growth (net tonne km) [1]	7.5 %	7.5 %
	Composite Sustainability index (CSI) [1]	-2.5 %	-2.7 %
Efficiency	Operational Expenditure Efficiency [1]	£1,451m	£1,477m
	Capital Expenditure Efficiency [1]	£2,456m	£2,624m
	Financial Performance Measure (FPM) [1]	0	0
Customers & communities	Passenger Satisfaction (RCXS)	84.3 %	84.3 %
Sustainable growth	Carbon Emissions - Scope 1 & 2 Reduction [1]	-20.5 %	-23.6 %
	Biodiversity Units Net Gain [1]	4.2 %	4.2 %
People	Employee Engagement	52 %	55 %

[1] Regulatory success measures with targets set in ORR's final determination. [2] ORR's final determination sets firm passenger train performance targets for the first two years of CP7 and indicative trajectories for years 3-5. A regulatory review to reset passenger train performance metrics (with the exception of the Scotland train performance measure) for years 3-5 of CP7 has now been completed, with the revised performance metrics for CP7 exit set up above.

B. CP7 financial summary

CP7 expenditure

Table B1. CP7 expenditure (March 24 CP7 Delivery Plan and March 26 CP7 Delivery Plan update).

	March 2026 (March 2024) Delivery Plan[1]					
£bn in cash prices	2024/25[2]	2025/26	2026/27	2027/28	2028/29	CP7 Total
Operations	1.0 (0.9)	1.0 (0.9)	1.0 (0.9)	1.0 (0.9)	1.0 (0.9)	5.0 (4.4)
Support	0.9 (1.0)	1.0 (1.0)	1.2 (1.1)	1.1 (1.1)	1.1 (1.1)	5.4 (5.3)
Maintenance	2.7 (2.5)	2.8 (2.5)	2.8 (2.5)	2.7 (2.5)	2.7 (2.6)	13.7 (12.6)
Renewals (incl. other capital expenditure)	3.7 (4.1)	3.7 (4.0)	3.8 (3.9)	3.8 (3.7)	3.7 (3.7)	18.7 (19.3)
Risk funding	0.0 (0.0)	0.0 (0.3)	0.0 (0.4)	0.1 (0.5)	0.3 (0.6)	0.4 (1.8)
Industry costs and rates[3]	0.3 (0.4)	0.4 (0.4)	0.4 (0.4)	0.4 (0.4)	0.5 (0.4)	2.0 (2.0)
Electricity for traction (EC4T)	0.9 (0.9)	0.8 (0.8)	0.9 (0.9)	0.9 (0.9)	0.9 (0.9)	4.4 (4.3)
Total expenditure (excl. EC4T)	8.6 (8.9)	8.8 (9.0)	9.2 (9.1)	9.2 (9.1)	9.3 (9.2)	45.1 (45.4)
Total expenditure	9.4 (9.7)	9.7 (9.8)	10.1 (10.0)	10.1 (10.0)	10.2 (10.1)	49.6 (49.7)

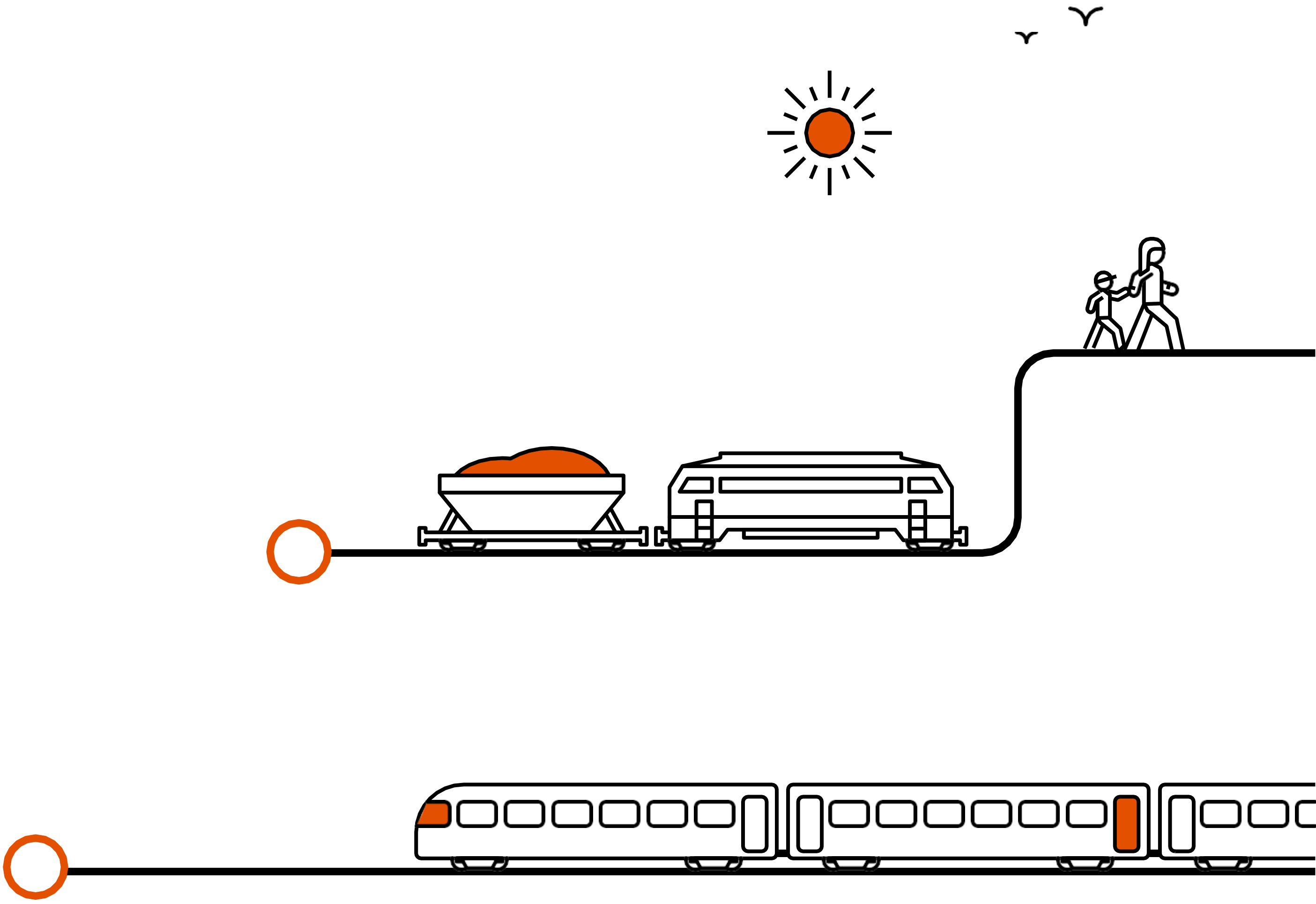
[1] Numbers in brackets refer to the figures from our March 2024 Delivery Plan which are in cash prices based on the November 2023 OBR inflation forecast. As noted earlier in the document, all figures for our March 2026 delivery plan are in cash prices, but are based on the November 2025 OBR inflation forecast. [2] CP7 year 1 expenditure is based on a forecast as at February 2026.
[3] Industry costs and rates include Cumulo Rates, ORR subscription, Rail Delivery Group subsidy.

CP7 income

Table B2. CP7 income (March 24 CP7 Delivery Plan and March 26 CP7 Delivery Plan update).

£bn in cash prices	March 2025 (March 2024) Delivery Plan[1]					
	2024/25[2]	2025/26	2026/27	2027/28	2028/29	CP7 Total
England & Wales network grant	5.4 (5.5)	5.6 (5.5)	5.8 (5.6)	5.3 (5.5)	5.1 (5.4)	27.2 (27.5)
Scotland network grant	0.5 (0.5)	0.5 (0.5)	0.5 (0.5)	0.5 (0.4)	0.4 (0.5)	2.3 (2.3)
Access charging income[2]	2.6 (2.5)	2.6 (2.7)	2.8 (2.8)	2.9 (2.8)	3.0 (2.9)	13.9 (13.8)
Commercial and other income	0.3 (0.3)	0.3 (0.3)	0.3 (0.3)	0.4 (0.4)	0.4 (0.4)	1.8 (1.7)
Electricity for traction (EC4T)	0.9 (0.9)	0.8 (0.8)	0.9 (0.9)	0.9 (0.9)	0.9 (0.9)	4.4 (4.3)
Total income (excl. EC4T)	8.6 (8.9)	8.8 (9.0)	9.2 (9.1)	9.2 (9.1)	9.3 (9.2)	45.1 (45.4)
Total income	9.4 (9.7)	9.7 (9.8)	10.1 (10.0)	10.1 (10.0)	10.2 (10.1)	49.6 (49.7)

[1] Numbers in brackets refer to the figures from our March 2024 delivery plan which are in cash prices based on the November 2023 OBR inflation forecast. As noted earlier in the document, all figures for our March 2026 delivery plan are in cash prices, but are based on the November 2025 OBR inflation forecast. [2] CP7 year 2 income is based on a forecast as at February 2026. [3] Charging income includes Train and Freight Operator Fixed Track Access, Variable Track Access and Electricity Access Usage Charge. The numbers may not add up due to rounding.



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