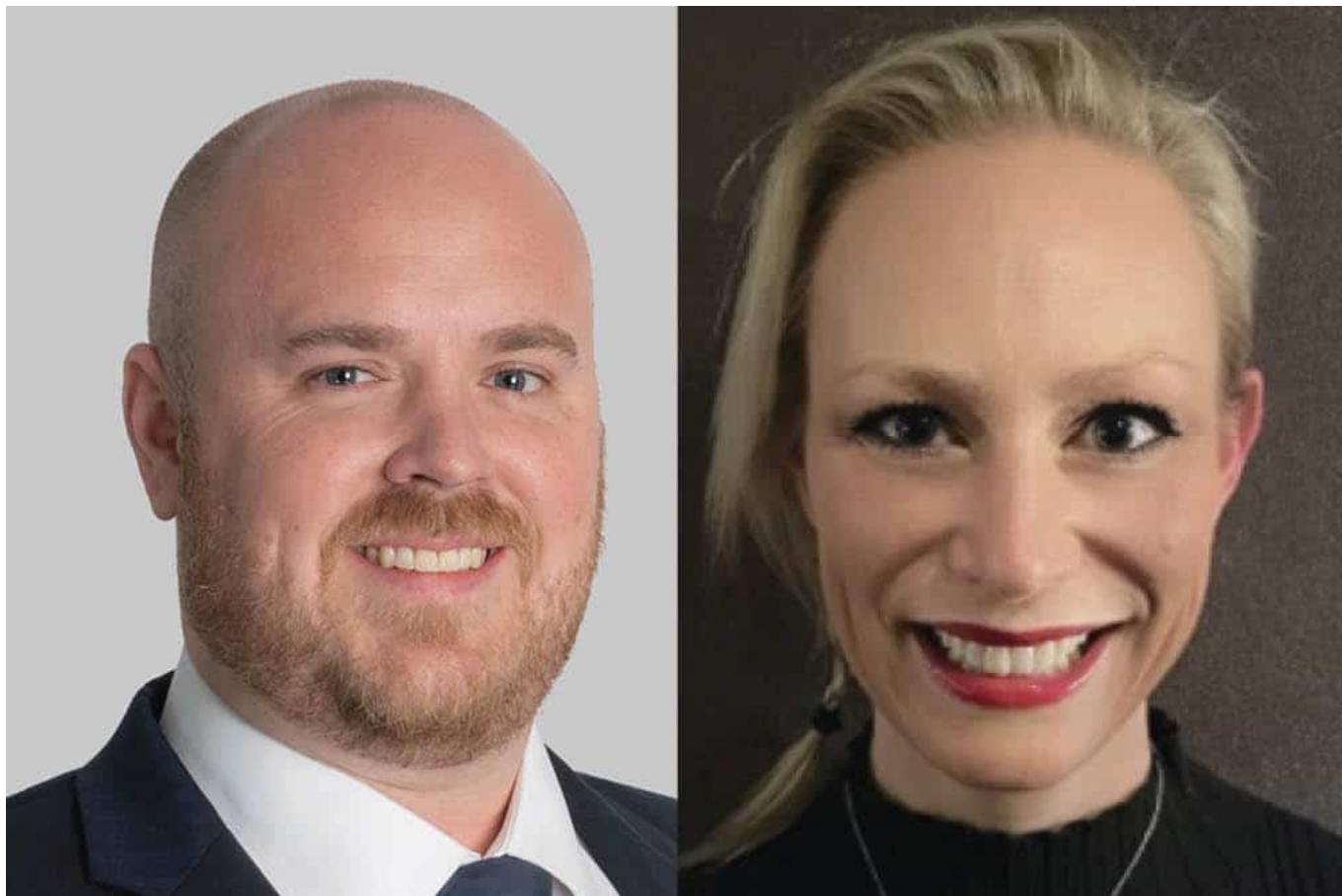


Egis & Copperleaf – Responding to the Government’s HLOS on CP7

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Insight from Egis' Director of Digital Asset Management, Martin Vallance and Copperleaf's Partner Success Manager, Jennifer Chapman

In December, Martin Little, Rail Business Daily's Advisory Director, summarised the government's announcement on the Network Rail CP7 budget. He noted that, while funding for the railways has been maintained—the headline budget for CP7 is £44bn, comparable to £47bn in CP6—Network Rail will be required to deliver 'inclusivity, lower cost and higher value'.

In particular, it will need to demonstrate meaningful consideration of environmental, social and local economic impacts, along with a commitment to cost efficiency. Wider societal contribution has not always been at the forefront of regional railway investment planning and the High-Level Output Specification (HLOS) for CP7 indicates that this must change. Network Rail and its supply chain must come together to deliver a step change in how value for money is understood and how it is delivered—to the consumer, to the tax-payer, and to the communities it supports. The HLOS amounts to more than a polite request for careful spending—it is a call to arms.

Three key areas will be critical to how successfully the UK railway sector responds to this call:

1. **Data to make decisions.** Network Rail and its suppliers now hold a wealth of data, arguably too much scattered across disparate systems, suppliers and operators. The industry has now been tasked to consider how to overcome this fragmentation and too utilise this data in a consistent and systemised way. In addition, it must be acknowledged that system data has to be blended, filtered and prioritised through the application of industry knowledge. This clear, insightful management information will be required to provide the evidence-based analysis paramount to improving the objectivity and quality of decision-making at all levels. Innovation will be delivered by bringing together basic data sets such as service volumes, asset condition and cost information, with newer metrics around carbon management, climate resilience or social value, to enable accurate assessment of the value delivered by a planned investment.
 2. **Planning and re-planning.** Robust and comprehensive investment planning is necessarily at the heart of the UK rail sector, as it is for any asset-heavy industry. However, the planning process has often been labour intensive and time consuming, particularly at the level of regional execution. As highlighted by the Covid pandemic or the increasing frequency of extreme weather events, agility in the face of changing circumstances is now more important than ever. At an operational level too, it is critical that the industry is able to re-optimize plans as priorities change and risks evolve. The greatest efficiency will be delivered by an operator that has system enabled decision making, allowing mission critical choices to be taken with confidence and unquestionable conviction.
- **Collaboration and communication.** Network Rail and its supply chain are expected to deliver against a wide range of objectives, many of which reach beyond the physical infrastructure of the rail network itself. This means working with a range of stakeholders including customer bodies, the ORR, Local Transport Authorities and the Department of Transport. Clearly articulated plans, well governed engineering decisions and honest project appraisals along with proactive engagement and relationship-building, will be critical to the success of these collaborations.

If Network Rail is to deliver a step change in these areas is it timely to consider again how other sectors have tackled these challenges? The benefit of blending external insight and expertise with the depth of engineering, operational and project delivery knowledge within the rail industry has to be the optimal choice for Network Rail. It is time to challenge the operating, commercial and data silos that prevent the efficient sharing of information and enable industry wide decision making on investment decisions. The CP7 HLOS represents a further call for open and honest collaboration across the end-to-end supply chain and beyond to ensure that the rail sector not only improves performance but achieves its full potential as a driving force for economic growth, a key contributor to levelling-up and a principal agent of environmental improvement. For the Rail industry to reset public opinion whilst satisfying the challenges set by the Government, it must ultimately ensure that valuable public assets and systems are operated and maintained in the most efficient, effective and sustainable way.

About the authors: Egis, a leading global consulting, construction engineering and operating firm has partnered with Copperleaf® Technologies, a provider of best-in-class AI-powered decision analytics, to help the UK rail sector meeting the challenging expectations of CP7 and beyond.

Sharing a passion for excellence in asset management, Egis and Copperleaf are at the forefront of supporting infrastructure owners and operators with their investment planning and decision-making needs. A genuine client focused approach coupled with industry leading tools, industry knowledge and engineering experience offers organisations a single solution for reducing cost, managing risk and a cohesive plan to deliver against performance expectations and achieve strategic objectives.