

## Network Rail - Putting Passengers First

February 12, 2019



## Dear colleague

Most of you will be aware that our CEO Andrew Haines initiated a review to assess how we should set ourselves up to deliver the best possible service for passengers and freight in CP6. I know that many of you provided feedback which is helping to shape our plans – thank you for your input.

We are sharing our plans across Network Rail today and as a valued colleague, I would like to update you on progress with the review at the same time.

There were several key themes which emerged from the market and internal listening exercise which identified how Network Rail could change to be a more effective organisation for you to work with. There was praise for our focus on safety and for the talented people we employ, but a strong view that we must be more focused on passengers, improve the way we deliver major projects, clarify accountabilities and become a more agile and responsive partner to work with.

We have listened carefully to this feedback and I am pleased to tell you that at the end of January, the Network Rail Board approved a set of proposals to change the business to one that is unequivocally on the side of passengers and freight users and set up to drive up performance by putting the needs of railway users at the centre of all our thinking and decision-making.



A key aspect of our changes will be creating a customer service mindset that puts passengers and customers first. Much of this will be driven by behaviours but we will also be making some structural changes to support our new approach, moving to an organisational set up with 13 routes, supported by five Network Rail regions. IP will devolve to the new Network Rail regions, including the relevant delivery supporting capabilities.

By devolving operating capability to a more local level we can drive better train performance and deliver a better service for passengers and freight users. By establishing Network Rail regions, we will also create organisations that are large enough to absorb further devolution and increase route capabilities locally as well as improve relationships with our stakeholders. We will use this improved alignment to explore a range of different delivery mechanisms for the routes, including partnerships, concessions and alliances.

The proposals are now subject to consultation and safety validation and we expect the programme to be complete during 2020. I will continue to keep you updated as we progress and thank you again for your support so far. I hope that you will soon begin to see improvements in the way that we work with you, and the way that we are delivering for passengers.

Please be assured that these plans will not impact the frameworks and contracts we have committed to. Our current routes have been fully engaged throughout the procurement process with Route Managing Directors signing off CP6 strategies. Around £11bn has been committed for enhancements as part of our funding settlement for CP6. This includes £8.6bn to complete the "Hendy tail" with the TransPennine Route Upgrade as the flagship scheme. At the end of March, each route will set out its delivery plan for CP6 which will detail how they intend to use their funding settlements to deliver the best service for rail users in their area.

More details will follow in the coming months but in the meantime, please get in touch with your commercial contact or me if you would like to discuss any of the new changes in more detail.

Kind regards

Francis Paonessa Managing Director, Infrastructure Projects