

Sustainable Development Strategy

Our vision and strategy: A railway fit for the future
2013 – 2024

Executive summary

Network Rail exists to generate outstanding value for taxpayers and users by continually improving the railway. Our role is to develop, maintain and operate rail infrastructure in partnership with our customers, suppliers and other stakeholders.

Success means being a leading independent British-based infrastructure group that is internationally respected for providing rail transportation solutions that deliver outstanding value responsibly.

This paper sets out an outline strategy for sustainable development in Network Rail and develops our vision for a railway fit for the future.

Ultimately, we are seeking a safer, more reliable railway, with greater capacity and efficiency that contributes towards a thriving, low-carbon economy with better connections between people and jobs.

Network Rail is focused on change and we have a culture of pushing for higher levels of safety, reliability and transparency, as well as better value for money for our customers and stakeholders. Sustainable development will be at the heart of this as it supports these values and is integral to the long term success of the company and the railways.

There is considerable momentum in Network Rail and across the rail industry around sustainable development. It is important to build on this and give direction and focus to existing and new initiatives. The development of this strategy has noted the “Rail Industry Sustainable Development Principles” published by the RSSB and built on them for our business. Sustainable development touches every part of the business, our operations and our industry and collaboration with our stakeholders will be fundamental to our success.

This strategy focuses on a **sustainable development vision** and **strategic objectives**, (outcomes, outputs and activities). It also reviews the fundamental principles of a sustainable business and looks at where we will focus our efforts – **key priorities**. It also sets out key outcomes we are seeking up to 2024.

The sustainable development vision

A railway fit for the future

We believe that good management of our economic, social and environmental impacts is key to maintaining a strong and prosperous business. We will drive efficiency, build trust and create long term value for our stakeholders.

Our strategic objectives

This section sets out our strategic objectives which will underpin the delivery of our vision. The progress we make in achieving our vision will be determined by the outcomes we need to achieve, the outputs we need to deliver, and the activities we need to undertake.

Outcome objectives

To deliver our vision of a **railway fit for the future**, we have set the following outcome objectives:

- Rail travel is a cornerstone of economic growth
- Rail travel supports a greener environment
- Rail travel improves social and economic opportunities
- Sustained community support recognising the importance of rail
- Network Rail as a great place to work

Output objectives

To achieve our strategic outcome objectives, we have set the following strategic output objectives:

- Deliver outstanding **value for money** to taxpayers, customers and funders
- Make efficient use of **natural resources**, innovate with sustainable materials, and reduce, reuse or recycle any waste

- Be **energy efficient** across our infrastructure, operations, and across the rail industry as a whole
- Use **low carbon energy** sources to minimise rail's carbon footprint
- Make our network and our operations resilient to future **changes in the climate**
- Manage our **land** sustainably, enhancing its ecological diversity, and increasing its economic and social value
- Protect land, air and water from **pollution** and other negative impacts
- Improve the **accessibility and inclusivity** of stations and rail services, enabling more people to enjoy rail travel
- Make a lasting positive contribution to our **neighbours and the communities** we serve
- Respect the **rights of our employees** and those working in our supply chain
- Work together so that everyone returns **home safely** at the end of every day
- Invest in **our people** and develop their skills and talents within a culture of diversity, inclusion and mutual respect

Activity objectives

To achieve our strategic output objectives we have set the following activity objectives which will provide the focus for the work we will need to undertake.

- Communicate the role rail plays in making Great Britain more sustainable
- Communicate the benefits of a more sustainable approach to business
- Focus our investment on enhancing the sustainability of the railway
- Design sustainability into everything we do
- Innovate and introduce technology to make us more sustainable
- Invest in our capacity and capability to make us more sustainable
- Simplify processes to make us more efficient
- Risk assess our operational activities to make them more sustainable
- Learn from all incidents so we continuously improve
- Educate the public on the sustainable nature of rail travel
- Put in place the foundations to deliver and maintain a sustainable business through our business functions and routes

Fundamental principles of a sustainable business

This strategy sets out what we need to put in place to deliver both our vision and the underpinning strategic outcomes. Much of what we have to do will involve us making changes and adjustments to deliver a step change in our performance. There are some fundamental principles which define how we will deliver a more sustainable business. We will reflect these principles in everything we do.

Our priorities

Safety remains our top priority. The performance of the railway is dependent on our ability to operate the network safely and as such there will never be a trade-off between safety and performance.

Evidence based decision making

We will always take decisions based on an understanding of the risks and opportunities both now and in the future. We will use our understanding of risks and opportunities to determine where best to invest our resources to make our business more sustainable.

Legislation

We will always comply with legislation. This is the baseline from which we operate, not a hurdle to overcome.

Personal responsibility

There will be opportunities every day to make our business more sustainable. We all have a personal responsibility to make the most of these opportunities and in doing so we can all play our part in delivering our vision.

Leadership

Delivering our vision requires strong and sustained leadership. We expect all our leaders to provide the working environment in which all our colleagues can find ways of making us more sustainable. This is part of making Network Rail a great place to work.

Investment

We will take account of the whole life-costs of our assets as we invest in them. This will enable us to leave a sustainable rail infrastructure as our legacy for future generations.

Dynamic and lean processes

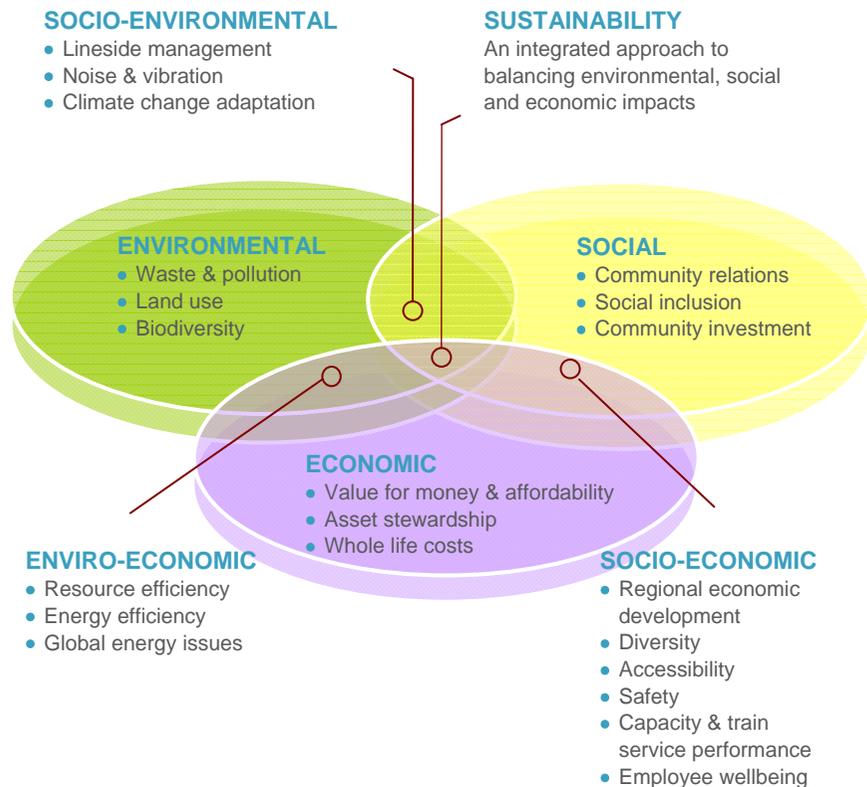
By implementing dynamic and lean processes we will improve both efficiency and sustainability. This will free up our colleagues to be more productive whilst giving them focused advice and guidance to respond to opportunities and challenges they encounter.

Where we will focus our efforts

Focus on achieving the right balance

Sustainable development is far from an exact science. The balance of economic, environmental and social factors varies from issue to issue, and will also vary over time. As a result there are no absolute answers. That said, as we make our decisions, we will balance these factors, based on the evidence we have to hand. In doing so, we will have the greatest opportunity of delivering a sustainable outcome.

Diagram: Examples of Network Rail’s sustainability issues.



Focusing on innovation and building capital

Sustainable development is substantially more than “doing less harm”. By taking a more progressive view of sustainable development we believe we can add value not just to the economic wellbeing of the UK, but also to our employees (through training for example), to society (through more valuable infrastructure) and to the environment (through a lower carbon form of transport).

Rail will support sustainable development in Great Britain by providing services that:

- Deliver value for money to taxpayers and customers that contributes to sustainable economic growth in a manner that meets global expectations of economic, social and environmental wellbeing.
- Meet the needs of our customers, funders and local communities, while addressing relationship with our lineside neighbours; and
- Achieve increasingly sustainable environmental performance, ultimately in line with the planet’s environmental limits.

Improving sustainability and meeting the challenges set out for the industry by the McNulty report to become more efficient, will inevitably involve innovation across our business. Our devolved structure enables swifter adoption of local novel solutions and the opportunity for more creative approaches. We intend that innovation becomes part of business as usual as we develop a learning culture.

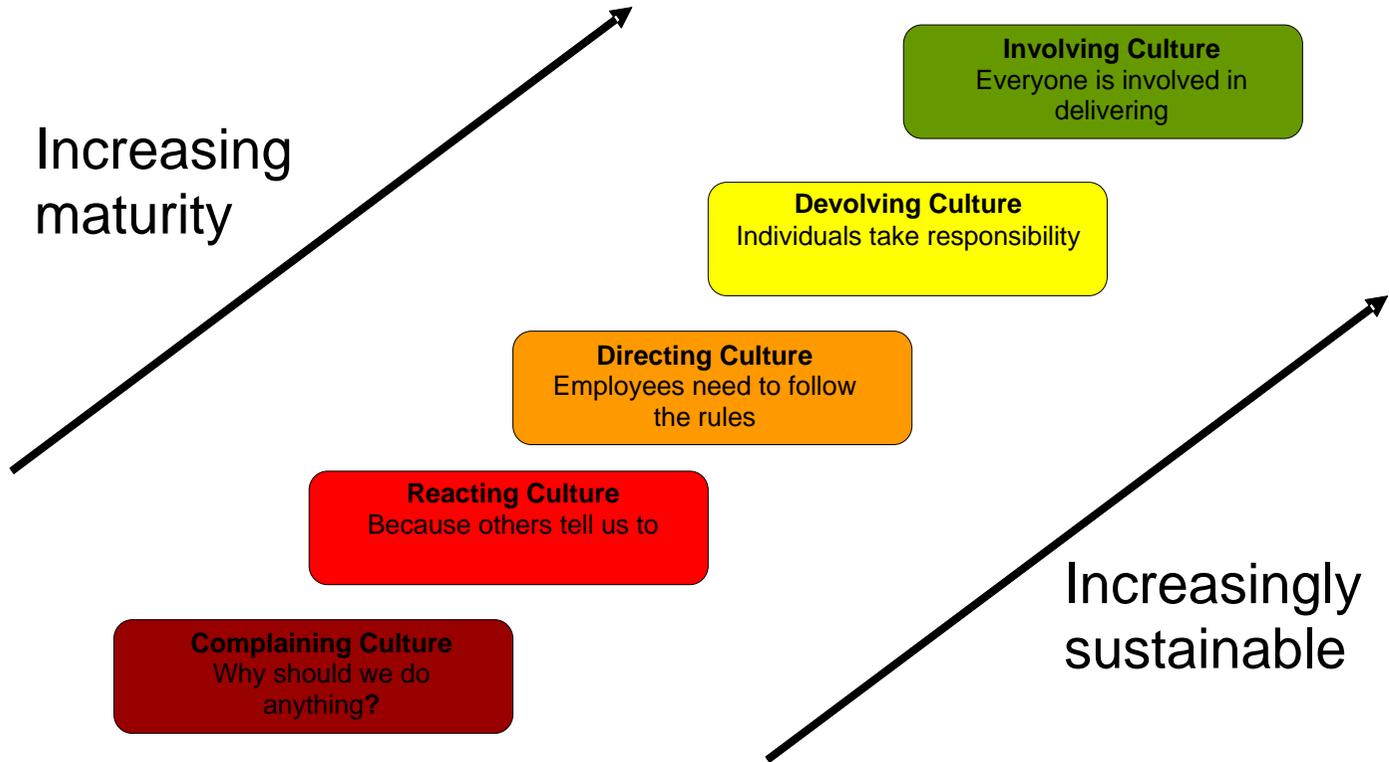
Focusing on the right culture

We firmly believe everyone in our business has a role to play in making us a sustainable business. Our journey is as much about personal responsibility as it is about corporate action.

If we are to deliver our vision of delivering **a railway fit for the future**, then everyone has both a right and an obligation to be involved in delivering and achieving this vision.

The culture of Network Rail is critically important in making us a more sustainable business. As we progress on our sustainability journey, we will embed the cultural change necessary to help us achieve better performance, improve our diversity, make us a more inclusive business, and provide a liberating and enjoyable place to work. All aspects of this are essential towards making us a sustainable business.

Diagram: The evolution towards sustainability



Key priorities

- Safety & wellbeing
- Communities
- Accessibility and inclusivity
- Employees
- Energy
- Resources
- Environmental protection
- Climate change adaptation
- Buildings
- Land
- Outstanding value

Safety & wellbeing

Our vision for safety is unequivocal: we want everyone to return home safely, every day. That includes passengers, members of the public and our workforce, whether directly employed or working on contract. To implement that vision, a separate but complementary strategy establishes strategic objectives and sets out where we will focus. The safety and wellbeing strategy identifies action on personal, infrastructure, operational, public misuse and interface safety risk.

Over the course of this strategy we will:

- Overhaul trackworker safety to ensure safe systems of work with the best protection
- Target investment in level crossings to reduce risk by 8% in CP5 and increasing towards 50% by the end of CP6 in a 5-step process agreed with the regulator
- Put safety at the heart of designing, managing and maintaining our assets
- Improve workforce engagement, including throughout the contracting chain
- Reduce work-related ill health and promote wellbeing through wider initiatives and support
- Influence public behaviour on stations and level crossings
- Target investment to maximise risk reduction
- Enable improvement through culture change, a radically changed standards and competence regime and innovation.

Communities

Through our corporate community investment programme we seek to support and understand better our stakeholder community. This helps connect the communities we serve, particularly our lineside neighbours and those that live near the railways with our employees. It enables communities to engage with railway investment, our employees and our charitable activities supporting wider social benefits of rail.

Over the course of this strategy we will:

- Work towards our goal to be a national example of best practice in community investment.
- Invest in community and charitable partnerships that support our strategies on land management, economic regeneration, employee engagement, future workforce skills, environmental protection and safety.
- Work with specific communities surrounding significant infrastructure investments to maximise entrepreneurial, social enterprise and renaissance of the area.
- Work through Routes and in specific communities on relevant local issues.
- Develop community partnerships that support sustainable development behaviours.
- Support and collaborate with our employees to maximise the awareness of established community projects.
- Work with local communities to equip them with the skills to support an agile workforce.
- Work with partners to help employees and communities stay safe.
- Engage with the wider rail industry to leverage support for community partnerships.
- Promote existing schemes to our employees, such as payroll giving, matched giving, volunteer leave and our corporate charity partnerships.
- Integrating employee volunteering with wider strategic objectives such as diversity, skills and personal development.

Accessibility and inclusivity

We understand the important social role played by public transport. Public transport has a key role to play in improving accessibility for all individuals, thereby minimising social exclusion and enhancing social cohesion. Therefore, the railway we build must provide accessible and inclusive environment for all people, especially those with reduced mobility; the disabled; the elderly; families with young children; young children themselves; those on low incomes; those without cars; and those living in economically deprived areas.

Over the course of this strategy we will:

- Strengthen our consultation arrangements with stakeholder groups to better understand the needs of all potential users of the railway and provide more accessible, more inclusive, solutions that offer outstanding value for money.
- Work collaboratively with other industry service providers in the development of common technologies and systems to provide more a more accessible and inclusive railway for our customers.
- Increase the awareness and understanding of our employees of the need to provide a more accessible and inclusive railway.

- Continue to look for opportunities to further enhance the travelling experience of the groups above.
- Comply with the legal and statutory obligations placed on us and other service providers by the Equality Act 2010 and our operating licenses.

Employees

Our vision is to build a high performance culture throughout Network Rail. To do this we need engaged employees with the freedom to innovate and the confidence to challenge when we need to improve or do things differently. Evidence tells us that engaged employees are essential to creating a culture of high performance – particularly around safety. The better the engagement, the more likely that employees will increase their discretionary efforts, take fewer sick days and ultimately contribute to delivering enhanced services.

To implement our vision, the complementary strategic themes of 'people capability' and 'safety & wellbeing' include agreed line of sight goals that will have a positive impact on engagement levels. We have listened to our employees and taken a step-change in the way we engage with them by focusing on actions and outcomes instead of scores and response rates.

Over the course of this strategy we will:

- Increase understanding of the relationship between engagement, inclusion and safety, wellbeing and line manager support
- Improving employees' understanding of our mission and purpose and their part in achieving these
- Clarify employees' objectives so they know exactly what and how they will contribute to our mission and purpose
- Help employees to perform at their best by identifying and developing their potential
- Create a more open, diverse and inclusive organisation based on respect
- Build line manager and team effectiveness

Energy

We are one of the largest purchasers of energy in Great Britain and as we continue our programme of electrification of the network, our requirement for more electricity will grow. The Government has set a target to reduce emissions of CO₂ by 80% over the period 1990 to 2050. Our contribution to achieving this target will be through a combination of energy efficiency and low-carbon procurement strategies. New train technology such as regenerative braking and energy metering enables us to become more energy efficient. The efficient use of energy also has significant financial benefits.

Over the course of this strategy we will:

- Set out our trajectory for progressively moving to a low-carbon supply of energy
- Maintain our assets to help reduce transmission and distribution losses
- Invest in more energy efficient equipment, as we renew and enhance our network
- Work with our customers to encourage them to use the energy we provide in an efficient manner

- Identify opportunities for self-generation where they are cost effective to implement

Resources

The natural environment has a finite resource base, and it is essential that we use these resources sustainably. In addition, commodity prices vary considerably adding unanticipated costs to our business. It therefore makes good business sense to be efficient in the way we use resources, be innovative in our use of sustainable materials, and wherever possible turn any waste product into a commodity.

Over the course of this strategy we will:

- Assess future trends in raw material prices and risks, providing forecasts to influence the market, procurement decisions and support medium and longer term business planning
- Develop a comprehensive approach to procuring ever more sustainable materials and products and justify the value we create from them
- Take a whole life approach to resource use in our asset management, so that virgin material requirements and waste production are minimised, and the carbon embedded in new infrastructure is measured and reduced
- Embed the use of the waste hierarchy, so that waste production is minimised and that which is produced is treated as a valuable commodity, finding alternative uses for it either within or beyond our business operations

Environmental protection

Our interaction with the natural environment is considerable. Protecting the environment in the course of our operations is both a legal obligation and the sign of a responsible business. Preventing pollution and environmental damage also makes us more efficient. As we enhance our infrastructure we will seek to minimise our impact on the natural environment.

Over the course of this strategy we will:

- Implement new and innovative methods of managing our existing operations and activities to reduce greenhouse gas emissions and other pollutants
- Enable operational managers to proactively manage risks to the environment
- Publish industry-leading environmental impact assessments for all our key projects
- Establish clear guidelines for balancing the sustainability issues as we consider investments in major project

Climate change adaptation

Our infrastructure is a valuable asset for Great Britain and we are committed to making our network and operations resilient to projected climate change impacts. A clearer understanding of the impacts from changes in frequency and intensity of extreme weather events, and incremental seasonal changes, will be critical to implementing effective adaptation measures.

Over the course of this strategy we will:

- Understand our current weather resilience, and seek to optimise resilience and enhance adaptation capability
- Develop a thorough understanding of the potential impacts of climate change in terms of infrastructure performance, safety risks and costs
- Embed climate change adaptation within our asset policies and investment decisions
- Communicate the role the rail network plays in supporting weather and climate resilience across Great Britain, and support efforts to increase national resilience.

Buildings

In addition to our new buildings programme, we are custodians of 40,000 buildings and structures across our network. The average age of our building assets is 125 years old. We are committed to managing our buildings sustainably enhancing where we can its economic, environmental and social value. The built environment underpins economic growth and delivering this investment in a sustainable way is key to our success.

Over the course of this strategy we will:

- Take a longer term view of building design and construction, integrating sustainability into specifications for new and refurbishment work prior to design stage
- Put in place plans to change behaviours in the users of buildings to reduce energy consumption.
- Work with colleagues and external contractors to facilitate prioritised retro-fits for energy and resource efficiency across our building stock
- Provide training and leadership to colleagues across the organisation to ensure that existing buildings are used and managed as efficiently as possible
- Benchmark and audit our existing buildings portfolio to enable SMART targets and performance metrics to be agreed
- Utilise our buildings to benefit the local economy, support the needs of local communities and, where possible, support national regeneration and development schemes

Land

Our 20,000 miles of infrastructure pass through both urban and rural areas (rail corridors) and we also have substantial land holdings including those associated with our maintenance depots, engineering works and offices. We are committed to managing our land sustainably, enhancing ecological diversity where we can, and increasing its economic and social value.

Over the course of this strategy we will:

- Review the land next to our infrastructure to understand the vegetation present
- Refine our approach to managing lineside vegetation to both to reduce performance risks and enhance ecological value
- Work in partnership with our lineside neighbours to reduce performance risks associated with their land
- Work with stakeholders to maximise the environmental value and biodiversity of our land assets.
- Establish, quantify and reflect in our accounting processes the risks and liabilities associated with contamination of our land

- Work with the relevant authorities to ensure any contamination is managed appropriately
- Reflect the management of contaminated land in our investment plans to help the regulator understand the basis for our resourcing requirements

Outstanding value

Our output objective is to deliver outstanding value for money to taxpayers, customers and funders. In addition to finding more efficient ways of working which will enable us to return cash to the Government, we will also ensure the investment in our infrastructure represents outstanding value for money.

Over the course of this strategy we will:

- Manage our network on a minimum whole life cost basis
- Adopt a challenging transformational programme to deliver the company's vision and strategic outcomes

Key outcomes for sustainable development

By 2014 we will have made progress towards:

- Sustainable development strategy being implemented across all Network Rail activities
- Network Rail seen as central to a sustainable UK economy

By 2019 we will have made progress towards:

- Implementing our sustainable development strategy
- A 14% reduction in the carbon intensity of our electricity supply
- Reducing our total carbon emissions
- Investing in energy efficient assets
- Including climate scenarios in our asset policies and investment decisions
- Network Rail seen as central to a sustainable UK economy
- Investing in our people so that Network Rail becomes a great place to work

By 2024 we will have made progress towards:

- Rail is recognised as central to a sustainable UK economy – driving economic growth, supporting social opportunities and a greener environment
- Network Rail as a strong and prosperous business through good management of our economic, environment and social impacts
- Sustained community support recognises the importance of rail
- Network Rail as a great place to work

Key initiatives:

Sustainability interventions

We will develop delivery improvement plans across our business functions that work with Network Rail's existing processes and systems. This approach will enable sustainability principles to be embedded into our day to day operations so that sustainability becomes 'business as usual' rather than a 'bolt on'. Through our improvement plans we will look to continually improve, sharing learning across our business.

Sustainability competency development

We will build capabilities and skill across our work force to enable our people to do their jobs and use their expertise towards building a sustainable future.

Culture change & leadership

We will extend the principles of the Safety Leadership & Culture Change programme to sustainable development to work towards an involving culture. The behaviours demonstrated when such a culture is in place include; trusting people to use their expertise in a responsible way and aiming to continually improve rather than control.

Climate change adaptation

We will amend our asset policies and investment processes to enable account to be taken of climate change projections. This will protect the value of our assets in future and will be an essential component of whole-life costing.

Our sustainable development metrics

We will report the following metrics that summarise our performance against our key sustainable development outputs. Only a subset of these outputs is represented as not all the areas are appropriate for monitoring with specific metrics.

In support of these overarching metrics, we will develop a broad range of internal key performance indicators that enable us to identify and deliver performance improvements across our operations. Our safety and wellbeing metrics are included in the relevant strategy document and are not repeated here.

Metric	Definition
Waste	Total waste production by management option (landfill; waste to energy; recycle; reuse).
Embedded carbon	Proportion of major projects using a methodology to measure and reduce the carbon embodied in new infrastructure.
Carbon Emissions	Total scope 1 & scope 2 CO ₂ e emissions.
Environmental Incidents	Environmental incidents by category (significant; notable; minor reportable).
Passenger Satisfaction	Percentage satisfaction in National Passenger Survey.
Diversity & Inclusion	Breakdown of employees by key indicators of diversity.