The railway in Wales and Borders plays a critical role in connecting people, businesses and communities to support both regional and national economic growth. We run the safest railway in Europe, committed to getting everyone home safe every day. In our role as an asset management service organisation, Network Rail owns, operates, maintains and, where funded, enhances the railway infrastructure of Wales and Borders.

I am delighted to present our proposed Control Period 6 (CP6) Strategic Business Plan for 2019-2024. The Plan has been submitted to the Office of Road and Rail for consideration. It builds on the transformation of Network Rail that commenced in Control Period 5 (CP5) and included the devolution of the Route. During CP5 £900 million has been invested across the Route. The full Strategic Business Plan can be downloaded here www.networkrail.co.uk/strategicbusinessplan.

The Plan supports our mission to run a safe, reliable, affordable and growing railway that better meets the needs of our customers and provides maximum value for taxpayers and our funders. It represents a total proposed investment of £1.34 billion across Wales and Borders, with a significant number of diverse schemes designed to deliver improvements at a local level, benefitting as many rail users as possible across the Route.

The Plan has the support of the Welsh Government and is the result of regular engagement between Network Rail, Transport for Wales, customers and passengers. We have listened carefully to our stakeholders to understand their views and our proposals are designed to meet our collective objectives for the railway, within the available funding.

“We look forward to working together to ensure we take every opportunity for delivering enhancements efficiently to realise capacity, journey time and reliability benefits for passengers.”

Ken Skates, Cabinet Secretary for Economy and Infrastructure, Welsh Government

“We want the next rail service to lead to a significant improvement in people’s views and experiences of public transport in Wales and working closely with our partners is key to achieving this. We look forward to working with Network Rail to deliver the best possible service for customers, including importantly through increasing capacity and reliability.”

James Price, Chief Executive Officer, Transport for Wales
Delivering a safe, reliable, affordable and growing railway

Safe

We already have a strong safety record and are well positioned for CP6 to deliver a world-class safety record aligned to those achieved in sectors such as construction, oil and gas.

Our workforce lost time injury frequency rate (LTIFR) reduced by 35% in CP5. We have an aspiration to reduce LTIFR in CP6 by 59% with a focus on technology and innovation, frontline leadership and behavioural change.

We have helped create a safer railway for communities through the full closure of 18 level crossings. We will further reduce the risk to the public from level crossings, using ALARP (As Low as Reasonably Practicable) principles to target risk reduction in the most efficient way. We will continue to decrease railway trespass and prevent suicides, working with British Transport Police and the Samaritans.

We will reduce the risk of a train accident through better asset management and continue to focus on security threats including cyber security.

Reliable

Flagship schemes like the resignalling of the North Wales coast and the Cardiff area signalling renewal scheme are delivering significant performance improvements and unlocking infrastructure capacity. The Cardiff scheme has boosted performance significantly with Valley Lines services consistently achieving over 95% of trains arriving within five minutes of their scheduled time. Our lead train operator was the most reliable operator in 2017, achieving an annual right time average of 82.8% of trains arriving at their terminating station early or within 59 seconds of schedule.

The reliability of train services is a major concern for passengers and the wider stakeholder community. Reliability is being impacted by the size and age of the train fleet and we look forward to the capacity improvements expected to be delivered by the Transport for Wales-franchised train operating company.

Working in partnership with our train and freight operating companies, we will achieve a further reduction in the number of Service Affecting Failures (SAF) in CP6, building on the 25% SAF reduction realised over the last five years. We also aim to deliver a more resilient and reliable railway through: enhanced maintenance strategies; greater use of remote condition monitoring and a ‘predict and prevent’ approach.

Our planned investments include the renewal of the iconic timber Grade II Listed Barmouth viaduct which provides a critical link for passengers travelling across North West Wales. We also plan to deliver Phase 2 of the Port Talbot resignalling scheme.

At a glance

29.3m passenger journeys each year
246 stations
1,150 level crossings
More than 1,600 employees
£300m invested in the Cardiff area signalling renewal project
2,923 bridges
1,487 track miles
1,340 services per day
£33m spent per year with the Welsh supply-chain
5 community rail partnerships and 26 community rail schemes
Over 15 million passengers travelling through Cardiff Central and Queen Street per year
£50m invested in the North Wales Railway Upgrade project
Affordable

During CP5 we have delivered 4% net efficiency on operating expenditure. In CP6 we will achieve a further 6.6% improvement through smarter working, better planning, more efficient use of the railway and better technology.

We will use ISO 55000 asset management techniques to ensure the optimum life cycle cost balance is achieved between maintenance and renewals.

We will introduce contestability by being ‘Open for Business’ and through our commitment to making it easier for businesses to work with us. This approach will encourage third party involvement in the delivery and/or funding of activities and present a welcome challenge to Network Rail’s engineering standards.

Growing

Almost 50% more passenger journeys are made to, from and within Wales than a decade ago. Between now and 2023 we forecast:

- Growth in the number of commuters travelling to Cardiff and in the number of customers using the North Wales Coast Line to North West England
- Long distance markets from major centres across Wales into London are also expected to grow over the same period

The Wales Route also services a number of significant freight sectors, both within Wales and across the Welsh Border area, for example from the Bristol ports to the Midlands.

We anticipate significantly increased passenger service performance in the new franchise and additional capacity to accommodate the expected continued long-term growth in demand for rail services.

Wales and Borders within a national framework

CP5 has seen track and train working more closely together across the Route. Our Plan for CP6 builds on the fundamental changes to the way Network Rail operates, with Wales and Borders operating as a Route business within a national framework. The System Operator, a distinct yet connected part of Network Rail, is responsible for planning changes to the railway system in Great Britain so that the needs of passengers and freight customers are balanced to support economic growth. We will work with our partners in the Infrastructure Projects teams to deliver a range of key schemes and take advantage of national framework contracts to ensure value for money for the taxpayer. Route Services supplies Wales Route with a comprehensive range of specialised resource and behind the scenes support. This approach enables national coordination and allows us to benefit from economies of scale and greater efficiencies.
Workforce for the future

Network Rail’s aim is to be one of Britain’s best employers by attracting, developing and retaining great people. We also aspire to create an environment within the Route that will allow everybody to reach their full potential and support Network Rail’s commitment to creating a more diverse and inclusive railway. We will reform welfare facilities for our frontline staff and tackle mental health and wellbeing.

We have a devolved leadership team with a Scorecard at the heart of the ORR regulatory framework. We have put in place joint boards covering operations, access and planning, communications, and property to ensure the most effective partnership with train operating companies ever achieved within the Route is in place. Our Supervisory Board, chaired independently, ensures we build on this partnership approach, holding the wider industry to account across the Route.

Clear mission, winning team

It is an exciting time for Network Rail in Wales and Borders. We have a clear mission and a winning team of dedicated employees. Our Plan sets out how we will deliver a safe, reliable affordable and growing railway and I am confident that with the continued support of our stakeholders we will deliver a better Wales and Borders of which we can all be proud.

Andy Thomas
Route Managing Director
Wales

Our stakeholders

We met with a wide range of stakeholders during the development of our Plan including representatives from many of our partners, regulators and funders, passengers and the public listed below.

<table>
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<th>Partners</th>
<th>Regulators and Funders</th>
<th>Passenger, public and other stakeholders</th>
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<td>Department for Transport</td>
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<td>Arriva Trains Wales</td>
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<td>Supply chain</td>
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Stakeholders told us they wanted to see improvements in a number of areas including:

- ‘Improved delivery for passengers and lineside neighbours’
- ‘A more joined-up approach with our customers’
- ‘Greater transparency during planning and delivery of work’
- ‘Better contingency planning’
- ‘Increased capability to deliver our plans with less disruption’
- ‘Improved planning to better utilise access and the alignment of enhancement work with our maintenance and renewal work bank’
- ‘Better engagement with our supply chain’

Our approach to delivering these improvements is set out in the full Strategic Business Plan.
Our plans

Increasing efficiency, resilience and reliability
- Delivering Phase 2 of the Port Talbot resignalling scheme
- Enhancing our maintenance strategy with a greater focus on being proactive and a ‘predict and prevent’ approach
- Using technology and early coordinated planning to maximise the effectiveness of possessions, minimising disruption and cost
- Using asset management principles to phase activities in CP6 in the correct sequence to tackle multi-asset schemes

Developing our people and culture
- Ensuring we have an organisation that is fit for CP6 by having the right people in the right place at the right time with the right skills
- Attracting and retaining our workforce to improve performance
- Developing and enhancing the skills of our workforce
- Consolidating our apprenticeship and graduate programmes through early engagement with schools and colleges
- Building on our Route people engagement score of 68% (December 2017), which is higher than the national average and Network Rail’s overall score of 53%. The survey measures how committed employees feel and how likely they are to say good things about Network Rail
- Increasing the diversity of our workforce to better reflect the communities we serve across Wales and the Borders

Protecting our environment and heritage
- Renewing the iconic timber viaduct at Barmouth
- Implementing an Environmental Management System aligned with ISO 14001 to proactively manage environmental risk and opportunities, focusing on energy and carbon, as well as managing resources and ecology
- Additional funding for improving energy efficiency and generation

Collaborating and building stronger relationships
- Continuing our success in capturing third party funding for railway enhancements
- Proactively engaging with all stakeholders across Wales and Borders to keep them updated on our progress
- Further enhancing our collaboration with our train and freight operators
- Maximising the benefits of our devolved Route

“Torfaen plays an important role in Network Rail’s supply chain, providing good quality jobs for people, supporting the local economy and making links with schools.”

Assembly Member Lynne Neagle, Assembly Member for Torfaen

Working collaboratively and proactively engaging stakeholders with a collective ‘One Voice’ is proving successful. The annual Welsh Assembly Members’ (AMs) favourability survey of January 2018 found that for the first time in ten years, over 90% of AMs were familiar with Network Rail, and a fifth of those surveyed agreed that devolution of Network Rail in Wales is improving the performance of the network. Our lead operator also saw an improvement in their net favourability metric.