



Sir Peter Hendy CBE
Chair
Network Rail
Waterloo Station General Offices
Walker Suite
London
SE1 8SW

Mark Carne
Chief Executive
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14 June 2018

Dear Sir Peter,

I am extremely proud of the progress that Network Rail has made as a company over the last few years while also delivering the biggest upgrade programme to our railway since Victorian times. I also know that the plan that we have for the next five year control period is the strongest ever produced and has put the company on a firm footing that will deliver further significant benefits to passengers.

I fully recognise, however, that in the last few weeks Northern and GTR have been unable to deliver the performance customers rightly expected following the planned introduction of new services in the May 2018 timetable change. I am very sorry for the disruption that this has created for passengers and for the part that Network Rail has contributed to this unacceptable outcome. I am also sorry for the thousands of railway staff who have worked so hard over many years to deliver these massive projects, only to see their achievements overshadowed.

The causes of this failure are complex and inter-related across the industry. A number of challenges, that we would normally have coped with, have come together in a way that was wholly unexpected and far more serious than anyone predicted. The industry therefore welcomes a review by the ORR of the circumstances that led to this failure so that as a whole we can learn the lessons.

Although this is an industry-wide issue, I fully recognise Network Rail's accountability for its part, and therefore ultimately my own. I have therefore decided that I will not accept any performance related pay for the financial year 2017/18, when the events leading up to these problems took place.

I thank you and the Board for the support you have shown me. My hope and expectation is that performance will soon recover and that customers will then experience for years ahead the step change in passenger experience that these projects will usher in.

Yours sincerely

A handwritten signature in blue ink, appearing to be "Mark Carne", written in a cursive style.

Mark Carne
Chief Executive