

**Executive Director Commentary:**
**Key Issues to highlight to exec**
**Informed traveller plan (T-12)**

The Informed Traveller Recovery plan remains on target, with publication of amended timetables now eight weeks ahead of operation, improving to nine weeks from 03/08/2018. Other than GTR all operators are submitting their Bids in accordance with the plan. A proposal has been made for the development of a national level Scorecard metric to report publication of the timetable in line with the recovery plan. The target is 100% compliance of actual publication against the plan, with the only Operator being outside the plan timescales being GTR. Network Rail have met the plan deadlines for every week without exception, publishing everything that has been bid by the Operators within a reduced period as we originally committed.

The Informed Traveller Recovery plan was on target to deliver a compliant publication of the timetable for Christmas and New Year. However, the instruction to progress with the hybrid option to de-risk December 2018 will result in a set-back to the informed traveller plan, likely to be at six or seven weeks ahead of timetable operation. This risk was highlighted when the hybrid option was being developed, but the Operators have been unable to agree with trade-offs that would have alleviated this position, for example by an accelerated offer response period.

The ORR have now formally written to Mark Carne confirming that the current position represents a breach of timetabling conditions in Network Rail's network licence, and outlining four key actions described below:

1. Network Rail to provide ORR with an initial report demonstrating how it is running an efficient, effective, fair and transparent process for the December 2018 and May 2019 timetables - 31 August 2018
2. Network Rail to update its T-12 recovery plan, to publish the plan and to report publicly against it thereafter. This should include the number of late notice changes being considered and the reasons for those changes - 31 August 2018
3. Network Rail to accelerate plans to strengthen its timetabling resources and capability, and to produce leading indicators to allow ORR to assess whether it is on course to deliver - First draft of proposals to ORR by 17 September 2018
4. Network Rail to speed up decisions about structural reform, providing ORR with a draft plan setting out how this will be achieved - Draft plan to ORR by 30 September 2018

**December 18**

The industry are now aligned to expect the formal Offer for December 2018 at D16 (17/08/2018), which is sixteen weeks prior to the timetable start date of 09/12/2018. An industry timetable assurance steering group has been established under Paul McMahon's leadership, in order to consider recommendations from the Programme Management Office (PMO) that has been established to review infrastructure, rolling stock and Route / Operator readiness for timetable change. Capacity Planning have been following a set of evaluation criteria for prioritising planning resource through the limited development period available, and have been able to deliver all of the operationally critical work packages, all of the category one packages (which carry the highest industry benefits). There are still many Operator requests that we will not be able to incorporate into the timetable for December 2018, and this is creating a significant level of push back in the industry. This will be discussed at the National Task Force meeting on 01/08/2018.

Owing to the late Offer at D16 instead of D26 there is a consequential impact to the May 2019 timetable development period, which will commence at D36 instead of D40 i.e. 36 weeks before the May 2019 timetable start.

The normal industry contract, described through Part D of the Network Code, allow Operators to continue to raise Timetable Operator Variation Requests (TOVRs), requesting continued changes to the timetable, right the way through the timetable process. The PMO are going to establish control processes to keep control of levels of TOVR as these represent as much of a risk to the delivery and implementation of the December 2018 timetable as the original level of Operator Bids.

**May 2019**

As a result of starting the development of the May 2019 timetable at D36, but keeping the Offer data at D26, there is a reduced development period. This has an immediate impact on the level of timetable change that can be incorporated in the May 2019 timetable, and the proposal has been made to the industry, through the PMO, for a cap on the levels of change. This is not as severe as it first appears as the original December 2018 Offer that was made at D26 is being used as the starting position for the May 2019 timetable, and this already contains 25,000 schedule changes that the Operators still want. However, there is an estimated appetite for an equivalent scale of change on top of this, and the industry PMO is currently assessing all the factors including risk of infrastructure and rolling stock plans, and the overall quantum of change when the timetable is implemented.

The industry remains cautious with regards to the risks associated with future timetable change, so the current situation provides a real opportunity to agree changes to the industry processes, systems and contracts. Time is tight to agree the use of any cap on the level of change for May 2019, and significant risks remain in place.

**Staff retention and recruitment**

The fourth cohort of new recruits has now started, with a total of 43 new planners starting in role since 1st April 2018. The ongoing recruitment plan remains deliverable, and the quality of the new planners remains strong. Turnover has also reduced, and Capacity Planning now has a 3.1% vacancy gap against the target headcount.

Development of the future organisation, ready for CP6 launch, is progressing to plan. New roles have been evaluated and sized, and TU consultation is planned for September.

**CP6 Readiness**

We are finalising our response to the Draft Determination, and there are no significant issues for the System Operator.

As part of our new governance framework we held our inaugural SO Advisory Board. The meeting was predominantly a briefing session for Board members on the role of the function, the development of our plans for CP6, the T12 recovery plan and development of the Dec 18 and May 19 timetables. We also held our first formal Infrastructure Managers Standing Advisory Group this period.

We continue to develop our Delivery Plan with a particular focus on our recruitment plans for this year and the first year of CP6. More broadly we are developing our people strategy to underpin delivery of our plans. We are about to embark on customer consultation as part of the further development of our plans for CP6.

We continue to discuss funding priorities for CP6 with funders. We are working with DfT to establish the potential allocation and governance of enhancements funding provided in the Statement of Funds Available and are also exploring the opportunity to secure development funding this financial year for our view of CP6 priorities. We are developing a proposal as to the key priorities for CP7 and CP8 to inform the candidate schemes for development funding in CP6.

**Period Update**

**Safety and sustainability** - The work related absence measure is favourable to target with 2 incidents in period 4. Where cases arise they are managed jointly by line managers and HR. The percentage of close calls closed within 90 days remains favourable to target at 100% for period 4. The number of volunteer days remains favourable to target at 38 days taken over period 4. We continue to encourage all of our teams to make good use of their volunteer leave to continue this upward performance trend; good plans are emerging in the SO teams in this space. The 2 planned health and wellbeing milestones were achieved for the period including promoting the Health and Wellbeing survey and a successful Health & Wellbeing "drop-in" day in York.

**Train performance** - period 4 delay minute performance was 16% adverse to target. Delay incident performance was 3% favourable to target for year.

**Finance** - Overall System Operator functions are £156k favourable to RF4 forecast.

**People** - The number of Your Voice engagement action plans completed remains favourable to target at 83% for period 4; this work continues to be championed through the System Operator Engagement Working Group.

**Planning a better network** - 6 planned milestones were achieved in P4. The East Coast Route Study was published as planned on 19 July. In Wales and Western we started the process for agreeing key strategic questions with customers and funder - this will inform the development of the System Operator Annual Plan for 2019/20. Pre-appraisal output to Transport Scotland for the East Kilbride corridor was provided and we have continued to deliver CP5 RFF funding allocation through a streamlined RIRG approval process.

**Managing output changes to the network** - All planned milestones for period 4 were achieved. Work continues on developing a number of SOBCs for the Enhancement Pipeline. Development work with TfN to deliver the NPR milestone is on track. The remit for the work with Midlands Connect on connectivity to/ from Birmingham Airport was agreed as planned. Level crossing local engagement meetings were held for a number of locations in the South. The HS2 integration programme milestones were all completed in period.

Safety & Sustainability	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Everyone home safe every day (work related absence incidents - total)		40	35	30	2/2.7	8	↓	26.0	
Workforce safety (% close calls closed within 90 days)	20% 10.0%	80%	85%	90%	100%/85%	100%	↔	100%	100%
Health and wellbeing (improvement plan - milestone delivery)	10.0%	60%	80%	100%	2/2	14	↓	100%	100%
Sustainability - supporting our communities (0.5 volunteer days per employee per year)		303	319	335	38/24.5	96	↑	312.0	
Finance	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Financial performance measure – opex (£m)	20% 20.0%	29,801	29,361	28,921	1428/1584	7,748	↑	29,361	50%
People	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Your Voice action planning (roll up of all functional plans - milestone delivery)	2.5%	60%	80%	100%	16/22	83%	↔	76%	40%
Operational planner vacancy gap	10% 2.5%	12%	10%	8%	3%/10%	3%	↑	6%	100%
Continuous improvement training	2.5%	277	312	347	156/138 (Rolling total)	156	↑	326	70%
Diversity & Inclusion - 20by20 (improvement plan - milestone delivery)	2.5%	60%	80%	100%	1/1	100%	↓	100%	100%
Train Performance	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Impact on train performance (delay minutes)	20%	388,472	369,973	351,474	32976/28068	128,422	↑	417,372	0%
Impact on train performance (incidents)	20.0%	27,006	25,720	24,434	1976/2024	7,821	↑	25,418	62%
Planning a better network	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Strategic planning milestones (annual plan - milestone delivery)	5% 5.0%	60%	80%	100%	6/6	82%	↑	82%	56%
Managing output changes to the network	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Department for Transport (funded project development milestones)	0.83%	60%	80%	100%	1/1	100%	↑	100%	100%
Transport Scotland (funded project development milestones)	0.83%	60%	80%	100%	0/0	0%	↔	80%	50%
Welsh Government/Transport for Wales (funded project development milestones)	5% 0.83%	60%	80%	100%	1/1	100%	↑	100%	100%
Subnational transport bodies (TfL; TfN; MC) (funded project development milestones)	0.83%	60%	80%	100%	2/2	100%	↑	100%	100%
Franchising milestones (by competition)	0.83%	60%	80%	100%	0/0	100%	↓	100%	100%
HS2 programme milestones	0.83%	60%	80%	100%	5/5	100%	↑	100%	100%
Managing the access rights framework	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Sale of access rights review (key milestones)	2.5% 2.5%	60%	80%	100%	0/0	100%	↔	100%	100%
Planning the timetable	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
WTT production milestones	5% 5.0%		4		0/0	1	↔	2	67%
TW-12 compliance		85%	90%	95%	0%/90%	0%	↔	0%	
Cross-functional improvement programmes	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
CP6 delivery plan/PR18 (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
End to end planning (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Capacity planning improvement portfolio (key milestones)	5% 1.0%	60%	80%	100%	1/1	100%	↑	100%	100%
Role of the client & early stage project development (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Analytical Capability (key milestones)	1.0%	60%	80%	100%	0/0	0%	↔	80%	50%
Customer advocacy	PRP %	WORSE	TARGET	BETTER	PERIOD Actual vs. Planned	YTD		FYF	ACHIEVEMENT
Routes	1.88%	TBC	TBC	TBC	TBC	TBC	↔	TBC	50%
Operators	7.5% 1.88%	TBC	TBC	TBC	TBC	TBC	↔	TBC	50%
Funders	1.88%	TBC	TBC	TBC	TBC	TBC	↔	TBC	50%
Other infrastructure managers	1.88%	TBC	TBC	TBC	TBC	TBC	↔	TBC	50%

100.0%

PRP

70.05%