

Finance

The CFO Directorate is a team of functions that work to support the routes through shared services and acting as a centre of expertise, as well as managing the corporate functional requirements. Our vision for the Directorate is that we consistently operate as a trusted strategic partner delivering high quality professional services and solid financial infrastructure throughout the organisation. The Directorate has undergone a transformation to support a far more commercially focused business.

With routes as our customers we provide a number of core services, including:



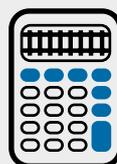
Business planning and performance management (Business Review Team)



Business development support, funding and financing advice (Corp Finance)



Regulation management and coordination with the ORR



Group Control: accounting services, insurance and claims management



Third party commitments advice (Corporate Commercial)



Legal services



Property development and services, retail management especially in major stations (who have a separate business plan)

Corporately, we manage and oversee

- Shareholder management with the Department for Transport (DfT)
- Funding and external debt management, senior relationship management with Her Majesty's Treasury (HMT)
- Regulatory relationships and strategic development
- Internal Audit and Group Risk
- Company secretariat, corporate governance, transparency/Freedom of Information

Our objectives

Several key external stakeholder relationships are managed within the function including with the DfT, HMT and the ORR. Relationships are managed through a series of formal engagements supplemented through regular, senior level, informal contacts. Whilst their key priorities generally relate to the wider business, feedback has been used to shape the function's Control Period 6 (CP6) objectives. The objectives include:

- Deliver CP6 within the agreed funding.

- Improve value for money and efficiency of the overall business.

- Increase the amount of third party funded Network Rail and third-party promoted investment. If a third party has a particular project that they would like to take forward, and is in a position to do so, then the most effective model may be for them to take on responsibility for the funding, design, and build. We would advise on standards and on compatibility with, and protection of, the existing rail network.

- Increased amount of third party financed schemes. We know there is considerable private sector appetite to invest in long-life secure assets such as railways. We have established a team to identify suitable opportunities for this.

- Embed effective and deeper devolution including route-based regulation within the business. From 2019, we will see the next major step change in devolution, with each route (including the Freight and National Passenger Operator route and the System Operator) having a separate regulatory determination from the ORR.

- Lead a successful Control Period 7 periodic review process, shape the Strategic Business Plan.

- Meet our Finance vision set out above.