

South East



John Halsall,
route managing director,
South East

My 3,500 colleagues and I are proud to provide a crucial service for the many people who use our railway to travel around the South East region and into London.

Passengers are at the heart of everything we do, so how we perform has a direct impact on them, their employers and the economic performance of the South East and UK as a whole.

After extraordinary growth in the last decade, we now deliver almost 500 million passenger journeys a year, which is a third of the national total and still rising.

Freight demand is also predicted to increase, on top of the 20 per cent growth experienced since 2014, which has been driven by the booming construction industry and supports businesses and boosts economic growth.

So I'm delighted this has been recognised by our regulator with a record £4.3bn settlement to spend in Control Period 6 (CP6), which is our next five-year funding period.

As a devolved business, this is the first time we've been able to bid for our own financial settlement from the Office of Rail and Road (ORR).

We aimed high with our submission and although we didn't receive everything we asked for, we did get over £1bn more compared to the previous funding period, which is fantastic news.

CP6 gives us an opportunity to begin to put right the historic funding shortfalls of the past, and we are hugely grateful for the strong support we've had from stakeholders in making our case for increased investment.

Based on the views and feedback from passengers, freight customers, train operating companies and other stakeholders, our vision is that by the end of Control Period 7 (CP7), we will efficiently and sustainably be "Proud to running the UK's most successful metro-style railway".

We now need to spend this money wisely. That means prioritising investment in maintenance to keep our infrastructure running reliably, while we use the extra funding to renew critical assets to improve performance in the longer term. We are pleased that in the Final Determination we received an extra £66m to address the long-term decline of our track and metallic structures.

However, we have much bigger ambitions. Therefore, we'll continue to work with rail operators and key stakeholders



to continue making the case for more capital investment, so we can fund bigger enhancements that will inspire economic growth and move us closer to our ultimate vision of running the UK's most successful metro-style railway. That means one which is sustainable, dependable, punctual, frequent and safe.

But achieving that vision means we need more funding in CP7 and we're looking for ways to bring forward improvements into CP6 where we can afford it.

We recognise that train performance on the South East Route has been amongst the worst in the country during Control Period 5 (CP5). That's simply not good enough and our passengers deserve much better.

But through closer working with Southeastern and Govia Thameslink Railway (GTR) and the use of better technology to increase our understanding of the causes of delay, we delivered the best ever Right Time punctuality (trains arriving within a minute of their scheduled time) in the last few months of 2018.

We will continue this approach in CP6 and will incentivise further improvements with new targets.

Together we're also providing innovative solutions, such as offsite assembly of materials to minimise the duration of line closures, and plenty of visible passenger communications well before closures happen.

As well as minimising the impact to passengers, this also helps reduce financial waste in delivery of our work.

In addition, we are excited to be delivering many initiatives to improve the service we offer to our customers and passengers, as well as those we work with and our own people.

On top of this we need to find more efficiencies than ever before. And by better managing our risks, we hope to be able to use our £304m risk fund to reinvest in the railway.

I am delighted by the commitment shown by our staff working across the route. Together, with the continued support of our stakeholders, we are proud of our plan for CP6 and look forward to delivering the best possible service to our passengers and customers with the record funding we have secured.

The South East route is the busiest and most congested in the country, connecting the capital and its southern and south-eastern suburbs with Kent, Surrey, Sussex and Channel routes to Europe. Around 5,000 passenger trains run every day over almost 2,000 miles of track and we manage four of the busiest stations in the country – London Victoria, London Bridge, Charing Cross and Cannon Street.

Our plan for the 2019-2024 funding period sets out how we will invest a record £4.3bn to operate, maintain and upgrade what is the busiest and most congested part of Britain's rail network.

The South East has endured years of under-investment. For example, in CP5, the South East had the lowest spend on renewals nationwide (54 per cent below the national average) and among the lowest spends for maintenance (21 per cent below the national average) for every kilometre travelled by passengers, even though our network carries a higher volume of trains and therefore suffers more wear and tear.

While we didn't get everything we asked for in our latest settlement, we have a fantastic opportunity to begin to put things right and move us closer to our vision of running the UK's best metro-style railway by the end of CP7.

In addition, we will continue to make the case for more capital investment so we can fund improvements that will inspire growth. In the long term, our ambition is to run a railway service which is sustainable, efficient, dependable, punctual, frequent and safe – one that passengers trust.

In CP6, the ORR has allocated the south east route:

- £2bn for operating costs, including increased maintenance.
- £2bn for renewals, including 662km of track replacements, renewal of 55 bridges and new signalling at London Victoria.
- £304m from the Route's risk fund to be reinvested in the railway.

In February we announced changes to the way that Network Rail is structured. This includes a shift from nine route businesses to 13, which will be supported by five Network Rail regions. These changes will enable more local decision making, improve responsiveness and relationships with our regional stakeholders, and will help us put more focus on improving train performance and putting passengers and our customers first. As these changes bed in, each region will publish updated strategic plans and associated settlements, laying out how we will deliver for our stakeholders under the new structure.

Our route at a glance



500m

passenger journeys across the route each year



344

stations across the route



572

level crossings



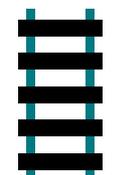
3,500

employees



5,000

passenger trains every day



2,000

miles of track on the route



20%+

freight growth in CP5

Highlight projects

Our approach to CP6 is to focus on improving the condition of the railway through capital investment in the asset base, while maintaining short term performance through increased maintenance and major investment in our operational assets.

We will carry out major re-signalling schemes at London Victoria, extend the life of major signalling centres at Ashford and Gillingham and relocate the Kent Integrated Control Centre.

We have an extra £66m to address the long-term decline of our track and metallic structures too, as the region has a disproportionate number of substandard structures when compared nationally. The funding is fantastic news, but despite the interventions it will fund, the rate of deterioration will continue. So we have factored into our plans the likelihood for reactive works in CP6.

Investment in our assets includes:

- Replacement of 662km of rail; that's the equivalent of three-and-a-half times around the M25.
- A £66m programme of works across our portfolio of track and metallic structures, including Cannon Street Bridge, Borough Market viaduct and Oxted viaduct, where poor condition has meant speed restrictions which impact train performance.
- Renewing 18 level crossings.
- Improving the condition of 300 of our worst condition earthworks sites and installing more monitoring systems to automatically notify us of any movement in the embankment before it affects the train service.
- Delivering buildings work at over 150 stations.
- Electrical work to improve safety on the network for our staff and our customers. This includes £20m of works at train depots including Grove Park, Slade Green and Ramsgate.

Benefits

Over the course of CP5, train performance on the South East route has been the worst in the country, although we have made significant improvements recently.

We have some of the oldest infrastructure in Britain, so the condition of some of our assets is incredibly fragile with a risk of low frequency, high impact failures, which are hugely detrimental to performance.

Our plan is finely balanced to manage that risk and provide improvements in four key areas: dependability, punctuality, frequency and safety. That means more frequent and more reliable services for our passengers, who are at the heart of everything we do.

Early in CP6, the Thameslink programme will introduce a large number of new services, building up to 24 trains per hour through the central London 'core'.

We are committed to improving our passenger experience too, so we will continue to work to improve satisfaction at our managed stations, just as we have done at London Victoria.

Stakeholder engagement

Passengers, customers and stakeholders have been central to the development of our plan with 88 organisations consulted and 370 individual requirements received from 39 organisations.

We collaborate closely with the train and freight operating companies to effectively manage and run the railway, and this will continue throughout CP6 as we critically assess performance together and create joint initiatives to deliver improvements in train performance and passenger experience.

We will be working with operational partners to improve the way we communicate with passengers, especially during times of planned works and unplanned disruption, and will be developing partnerships with third-party investors to help fund improvements to the railway.

We will continue to build on our stakeholder engagement strategy throughout CP6 and looking ahead to CP7, so that we will be recognised as a dependable partner.

Only by working together can we develop and deliver the improvements our passengers and stakeholders deserve.

Our people

Our people are fundamental to our success and therefore train performance depends on their ability to do their jobs effectively.

That's why we must give our people the right tools to deliver their best work and make sure they are empowered and motivated.

Not only are we an inclusive employer with fantastic opportunities for rewarding careers, but we listen to and value our people, ensuring their ideas become part of our vision to improve and deliver a better service for passengers.

With a focus on wellbeing, we also recently opened our Occupational Health Centre to provide easily accessible support to all our staff and in CP6 we will deliver a programme to improve and provide support on mental health.

CP6 is about delivering top class people initiatives that support the route's vision to deliver the UK's most successful metro-style railway.

Our training strategy links training directly to performance with the objective:

The right training, for the right people, at the right time.