

News Release from ORR

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Regulator welcomes rail industry's achievements, but says much more needs to be done

The Office of Rail Regulation (ORR) today publishes its national rail review, looking back over the past five years, and Network Rail monitor covering performance over the past year.

Bill Emery, ORR chief executive said: "Network Rail's performance over the past year has been mixed. While it has met many of its regulatory targets, it has missed others. Most notably it has failed to make the efficiency savings expected of it over the five year period to April 2009, and has fallen short of the levels of performance passengers and the industry expect on the West Coast Main line. We have demanded that Network Rail produce a credible plan for improving performance on the line by the middle of this month, and failure to do so will mean that we will have to consider whether Network Rail is in breach of its licence.

"Network Rail must work harder in order to achieve greater levels of satisfaction amongst its customers the train and freight operating companies, as part of the drive to deliver a better railway for users. Both Network Rail and the industry have come a long way in the past five years. We now have a safer, more punctual and reliable railway. It has been charged with delivering the biggest programme of expansion in decades which will help to further improve reliability and punctuality, reduce journey times and delays caused by engineering works, and increase network capacity. Big challenges lie ahead over the next five years to help further transform the railway, and Network Rail needs to continue to raise its game to ensure this happens.

"Safety on the railway continues to improve and the risk of an accident is at its lowest level for many years. However there is no room for complacency in safety, and while there hasn't been a fatal train accident for several years, it is simply not acceptable that three railway workers were killed last year, which is the highest number since 2005. Network Rail and the industry need to work together to achieve our target of zero workforce fatalities."

ORR's assessment of Network Rail's performance formed the basis of advice to the Network Rail Board's remuneration committee to inform their deliberations on senior management bonuses. The letter to the remuneration committee makes it clear, in the current economic situation and given Network Rail's mixed performance,, that the company must back-up any decision on bonuses with clear evidence of the benefits that have been brought to the railway as a whole.

ORR's Network Rail monitor, reveals performance figures at record levels.

The Q4 (4 January 2009 to 31 March 2009) figures for Great Britain show:

Performance and delay minutes: the public performance measure (PPM) at the end of Q4 was 90.6% (the industry target). This is the highest since the measure was introduced. At Q3, Network Rail came in marginally better than target with a cumulative 8.9 million delay minutes for the year.

Safety: safety risks continue to be managed, and the level of risk to passengers from train accidents is now less than half the March 2002 level. However, there were three workforce fatalities; and level crossings continue to remain a concern - particularly misuse by members of the public.

Infrastructure assets: reliability improved again in 2008-09, at the end of Q4 the total number of infrastructure failures was 50,866, 4.8% lower than 2007-08. This resulted in 4.5m minutes of delays in 2008-09, 6.3% less than last year.

Activity volumes: Network Rail renewed 2,532 km of plain line track in 2008-09 compared to a planned output of 2,489 km (excluding the West Coast programme). They delivered 415 switch and crossing equivalent units renewals, compared with a planned output of 472, a shortfall of 12%.

Network Rail finances: Total expenditure in Q4 was £131m (7.7%) higher than budget with the full year total expenditure £240m (3.3%) below budget.

The Q4 (4 January 2009 to 31 March 2009) figures for Scotland show:

Performance and delay minutes: the industry just met the end of year target of 90.6%, but fell 0.9% behind the planned position. This was despite the challenges of significant winter weather in many parts of Scotland during early February. Network Rail delays to First ScotRail increased by 6% in Q4 although overall delays fell by 2.1% as the operator's own performance and inter-operator delays improved.

Infrastructure assets: The number of incidents of track faults and broken rails increased by 20% in Q4, against a UK-wide reduction of 26% for the whole year.

Expenditure: Total expenditure in Q4 was £18m (4.6%) lower than budget and full year total expenditure was £36m (5.7%) below budget.

Also published today is the ORR's annual report and accounts for 2008-09.

Notes to editors:

National rail review is available on our website at:

<http://www.rail-reg.gov.uk/upload/pdf/398.pdf>

Network Rail monitor is available on our website at:

<http://www.rail-reg.gov.uk/upload/pdf/397.pdf>

The letter from ORR to Network Rail's remuneration committee is available on our website at:

http://www.rail-reg.gov.uk/upload/pdf/let-NR_remcom_0809_perf.pdf

The annual report and accounts is available on our website at:

<http://www.rail-reg.gov.uk/upload/pdf/396.pdf>

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