

Feras Alshaker
Director Planning and Performance



Paul McMahon
Director, Planning and Regulation
Network Rail
By email

Monday 24th July 2023

Dear Paul

Follow up to the Independent Reporter work on network capability

I am writing following the completion of an Independent Reporter review into Network Capability in June 2023. As you and I have discussed, the accurate recording of the capability of the network has been a longstanding issue. An understanding of the overall capability of the rail network is essential for meeting the requirements of Network Rail's Network Licence and to provide reliable and accurate information to operators.

The review was commissioned because of concerns about safety, performance and whether Network Rail was managing its obligations to provide information to train operators. Confidence in the quality and accuracy of network capability information is an issue for all operators. Freight train operators have highlighted a need to verify published information with different data sources and contacts before using it in their business processes and planning.

During the commissioning process, our concerns were increased by Network Rail's initial delay in finding a sponsor for this work (and indeed this lack of clear ownership and accountability appears to be at the heart of the matter).

The co-operation of the project teams during the work was good, though it is concerning that only one of the regions responded to the requests made by the Reporter, meaning that the report's conclusions are based upon limited data. In addition, a lack of resource was highlighted as preventing Network Rail from being able to fully investigate and respond to the Independent Reporter's queries of data anomalies within the time available for this review.

Further, a number of actions from the [2018 Independent Reporter review](#) into this area had not been completed and these points do not support confidence that this critical process is being well-managed.



This letter sets out areas where action is needed. Our draft determination specified metrics we are intending to use in CP7 to bring greater transparency to Network Rail's performance in this area and this would include a scheme for operators to report non-conformances. Ahead of this, I am seeking your confirmation of acceptance of the Independent Reporter review and its actions, these include:

- A capability baseline for CP7;
- A clear set of responsibilities and accountabilities for network capability, supported by appropriate senior-level governance and oversight; and
- Reviewing the process of managing temporary speed restrictions, to improve consistency and experience for operators.

This work is necessary because network capability is not only a core Network Licence duty but also underpins a number of specific HLOS requirements, for example the ability to improve performance and grow the volume of freight on the network.

Based on the inconsistencies identified in the Annual Return data received as part of this review, the Independent Reporter had low confidence that network capability is being reported correctly and that Network Rail's assessment of performance against the assumed baseline of the 2018/19 Annual Returns values can be relied upon.

Whilst understanding capability of the rail network is complex – it is closely linked to capacity and asset condition – it is fundamental to the Network Rail's customers' business. Based on this review findings, there does not appear to be an individual within Network Rail who is accountable for ensuring that network capability is accurately recorded and that these recommendations are implemented in a timely manner, I would be grateful if you could confirm to whom we should be addressing our concerns.

A plan for how Network Rail intends to deliver these actions before CP7 is required by 31 August 2023. To support during this process and continue the co-operative working, I can confirm that our lead for this will be Steve Dennis.

A copy of this letter will be placed on our website in due course.

Yours sincerely

Feras Alshaker