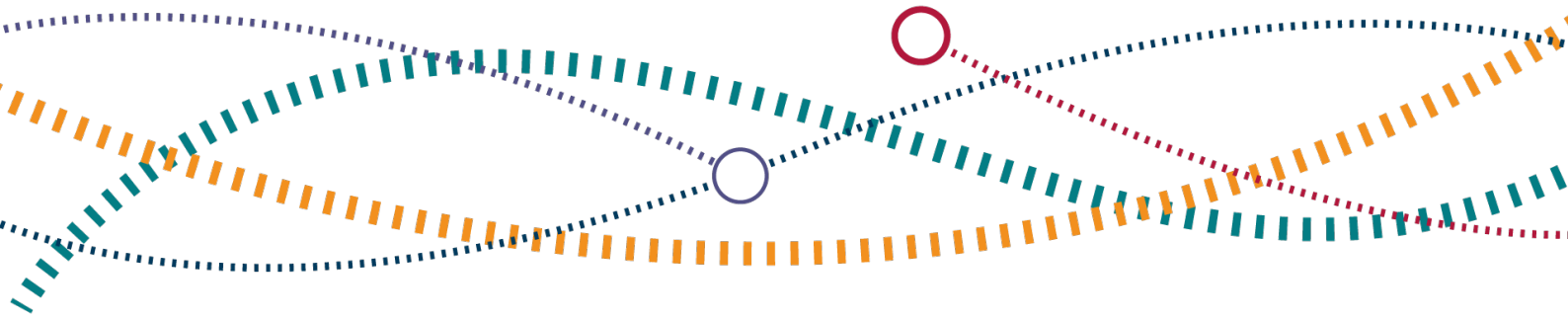
CP7 passenger train performance reset

Consultation on targets for 2026 to 2029

10 July 2025



Contents

Executive summary

The performance of Great Britain's railways is a priority for passengers and freight users who want reliable and punctual services. A railway that works well also supports the economy – keeping people connected to jobs, keeping goods moving and supporting leisure and tourism.

In the 2023 periodic review (PR23) we set Network Rail train performance targets for the first two years of control period 7 (CP7) - April 2024 to March 2026 - and indicative targets for the final three years of the control period. We committed to reset the measures and targets that would apply after the second year (i.e. from 1 April 2026), to reflect uncertainties with setting five-year targets for whole industry measures of performance.

We are now consulting on draft targets for years 3 to 5 of CP7. We will conclude on final targets in November 2025, and from 1 April 2026 we will firmly hold Network Rail to account against the final targets.

Improving punctuality and reliability of the railway is a whole industry challenge and no single party can deliver good punctuality and reliability in isolation. The UK Government's plans to reform the railway, including the creation of Great British Railways (GBR), are in significant part aimed at improving train performance. We are committed to supporting rail reform and to refining our approach, as industry changes, in ways that support all users of the network to succeed.

Context

We recognise that Network Rail continues to face financial pressures around the largely fixed funding envelope for CP7, with some anticipated decline in asset condition alongside increasing demands on the network. There is further uncertainty to be managed in areas including future inflation, changing weather patterns and train operator contributions to whole industry performance.

A significant part of our monitoring of Network Rail and industry engagement for this control period is focused on these and other key risks, which need to be effectively managed now, to mitigate potential deterioration of train service punctuality and reliability in the latter part of the control period.

Currently, cancellations in England & Wales are above historic levels and challenges to the infrastructure (from external events, long-term asset condition) and train operators

(such as traincrew availability and rolling stock issues) also affect the punctuality of services.

The draft targets we are consulting on in this document represent one part of a foundation for future improvement as Network Rail and train operators work increasingly closely together and as GBR is created. Given recent challenges with train performance, it is imperative that the industry fully capitalises on the opportunities presented by the closer working of track and train – both ahead of and during rail reform – to maximise performance benefits in the interests of passengers, users and funders.

Draft passenger train performance targets

The rail industry has often adopted an optimistic approach when setting performance targets. Stretching targets paired with transparent reporting on performance can act as an important incentive on management teams. However, setting unrealistic targets which are repeatedly not met also risks demotivating staff and managers – and adversely affecting the reputation of the industry.

Unrealistic targets also risk compounding financial pressures on Network Rail given they form the basis from which the financial incentive regime is recalibrated. Conversely, setting Network Rail targets that would be too easily outperformed also exposes train operators to financial payments. Therefore, taking an evidence-led approach and involving as many stakeholders as possible in our final decisions is essential.

Our aim with the train performance reset is to set ambitious yet realistic targets in England and Wales, as required by the terms of the UK Government's high-level output specification (HLOS). Network Rail's forecasts would broadly hold punctuality at current levels and reduce cancellations. We acknowledge the work that Network Rail has undertaken in developing its plans in collaboration with industry and we consider the forecasts are a credible basis for consultation. We recognise Network Rail's plans will continue to evolve, and there are aspects of the plans (in certain regions) which we expect the company to review before it provides its updated forecasts to us in September 2025.

Subject to those revised forecasts, and our final assessment of the evidence underpinning them in the Autumn, as well as evidence provided in other consultation responses we receive, we will conclude on the final train performance targets for CP7 in November 2025.

We will continue to proactively hold the company to account against its new train performance targets. We have an established approach to monitoring and reporting

and, if needed escalation, as described in our CP7 holding to account policy. Where necessary, we will take appropriate action to drive improvement – either through early intervention, as we have recently with the Eastern region, or by formal investigation as we did last year for the Wales & Western region.

We have engaged with Department of Transport (DfT), because of the focus on whole industry train performance and the number of operators contracted to and now owned by DfT. DfT is aware of Network Rail's plans and supports the whole industry figures and assumptions proposed by Network Rail.

The Scotland train performance measure is the primary punctuality measure for monitoring and holding Network Rail Scotland to account. As a specific requirement in the Scottish Ministers' HLOS this is not in scope for the reset and there is no change from the 92.5% target set for each year of the control period. We are also proposing no changes to Network Rail's proposed Scotland Cancellations and Network Rail delay targets, which remain consistent with our PR23 final determination and Network Rail's CP7 delivery plan respectively.

The proposed targets reflecting Network Rail's current forecasts for the remainder of CP7 are shown in Tables 1, 2 and 3 **in bold**.

Table 1 Punctuality (Time to 3)

Area	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	**Draft target 2026 to 2027 (year 3)**	**Draft target 2027to 2028 (year 4)**	**Draft target 2028 to 2029 (year 5)**
England & Wales	84.2%	83.8%	83.9%	**82.9%**	**83.1%**	**83.9%**

Table 2 Cancellations (by train services)

Area	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	**Draft target 2026 to 2027 (year 3)**	**Draft target 2027to 2028 (year 4)**	**Draft target 2028 to 2029 (year 5)**
Great Britain	3.8%	4.1%	3.9%	**3.9%**	**3.8%**	**3.8%**
England & Wales	3.9%	4.3%	4.1%	**4.0%**	**4.0%**	**3.9%**
Scotland	2.5%	2.2%	2.3%	**2.3%**	**2.3%**	**2.3%**

Table 3 Network Rail delay minutes per 1,000 miles train travel

Area	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	**Draft target 2026 to 2027 (year 3)**	**Draft target 2027to 2028 (year 4)**	**Draft target 2028 to 2029 (year 5)**
Great Britain	33.2	32.2	32.3	**34.5**	**34.0**	**32.6**
England & Wales	34.6	33.9	33.4	**36.4**	**36.0**	**34.4**
Scotland	21.4	17.7	17.0	**17.0**	**15.0**	**15.0**

The rigorous assessment we have carried out, and the work undertaken for us and Network Rail by the Independent Reporter, highlights areas of Network Rail's plans where there may be scope for further development to demonstrate that updated forecasts are both realistic and ambitious. We expect Network Rail to consider these areas during the consultation period, while working collaboratively with industry partners to develop its plans. Examples include:

- since Eastern submitted its plans for the reset earlier this year, the region and the System Operator (SO) have continued to work closely with

industry and funders to develop plans to mitigate the performance impact of the December 2025 timetable change. This is important because of the scale of the anticipated effect on punctuality, not only on the East Coast Mainline but also for adjacent services; and

- North West & Central should review whether it overstated the negative impact of external incidents and weather in its performance forecasts.

We expand on these points – and other areas for review in Network Rail's plans – in chapter three. Regional targets and the rationale for them are explained in chapter three as well as Annex B.

Summary and next steps

Improving train performance for passengers must continue to be a top priority and it is vital that Network Rail continues to work with train operators to ensure that cancellations are reduced and that punctuality is maintained, even as passenger numbers increase.

Setting long-term train performance targets is challenging and it is important that we do so with an evidence-led approach. We have engaged closely with Network Rail and scrutinised its plans with the support of an Independent Reporter.

We consider that Network Rail's forecasts are a credible basis for consultation, alongside some targeted areas for review when the company submits its updated forecasts in September 2025.

We invite consultation responses and additional evidence to inform our final decisions. Our final decisions will be made in November 2025. We will continue to proactively hold the company to account against its new train performance targets from April 2026.

For the remainder of 2025, ORR will also progress the work required to translate Network Rail's train performance targets for Cancellations (by train services) and Network Rail delay minutes into the financial incentive regime so that this is also ready from 1 April 2026. The affected parties are being consulted directly on the specific changes proposed to the financial incentive regimes (i.e. Schedule 8 and consequential changes to Schedule 4).

We welcome views on Network Rail's proposed performance targets – and our assessment of them – set out in this consultation by **5pm on Friday 5 September 2025.** We will then carefully consider these alongside the latest plans from Network Rail ahead of making our final decisions in November 2025.

Consultation questions

(1) Do you agree with the proposed targets for the passenger train performance success measures in CP7 years 3 to 5 and do you consider they are 'ambitious yet realistic' in light of the evidence on current and expected factors affecting performance?

(2) Do you have any views on our assessment of Network Rail's plans and the findings of the Independent Reporter?

(3) Do you have any other views on the proposed targets for these three success measures in CP7 years 3 to 5?

Please provide evidence to support your views, such as relevant information from business plans, research, policy documents or other materials.

Responses should be sent by email to: prm@orr.gov.uk or by post to: ORR consultation: CP7 reset – consultation on targets for 2026 to 2029, Office of Rail and Road, 25 Cabot Square, London E14 4QZ.

We ask that, wherever possible, you submit your response via email. We have made available a consultation proforma which we invite you to use.

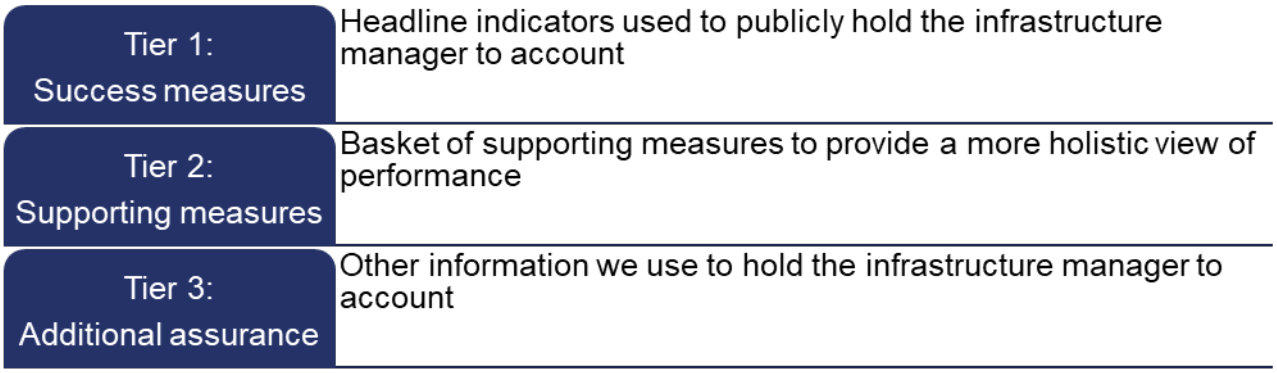
We also welcome further conversations with operators, funders, and other stakeholders at any point before the consultation closes.

1. Introduction

CP7 outcomes framework

1.1 To help us set requirements, monitor and hold Network Rail to account in CP7, we established the CP7 outcomes framework (shown in Figure 1.1) as part of our 2023 periodic review (PR23). This provides a structure for the measures we use, across passenger train performance and several other important outcome areas, that we set out in our PR23 final determination: supporting document on outcomes.

Figure 1.1 CP7 outcomes framework



1.2 The CP7 outcomes framework is tiered. There are a small number of top-level success measures for which ORR sets targets capturing the expected level of performance, against which ORR publicly holds Network Rail to account. We described these targets as 'baseline trajectories' during PR23, including in our CP7 holding to account policy. For simplicity, we have used the term 'targets' in this consultation.

1.3 To provide a more holistic view of performance, we use supporting measures that Network Rail sets forecasts for in its delivery plan and reports against. More information on how we monitor and hold Network Rail to account using our CP7 outcomes framework can be found in our PR23 final determination: policy position on holding to account.

CP7 passenger train performance reset

1.4 In our PR23 final determination, we committed to reset passenger train performance measures and targets, and recalibrate train performance financial incentives, for years 3 to 5 of CP7.

1.5 The decision to reset was in recognition of the specific circumstances that existed at that time which made it challenging to set whole industry expectations for performance over the duration of this five-year control period. These challenges included differences in business planning and funding cycles between Network Rail and publicly contracted train operators, together with uncertainty around the impact of external factors, such as future changes in passenger demand.

1.6 The reset is not a wider re-opener of PR23. It only applies to passenger train performance and does not apply to:

(a) the Scotland train performance measure or targets (92.5% for each year of CP7) specified in the Scottish Ministers' HLOS. This measure remains our primary focus for monitoring and holding Network Rail Scotland to account on passenger train performance;

(b) freight train performance or other outcome measures in our final determination; or

(c) the Performance Improvement and Innovation Fund (£40 million) and Scotland Targeted Performance Fund (£50 million) which we set out in our PR23 final determination: supporting document – sustainable and efficient costs.

1.7 As well as the resetting of targets which is the focus of this consultation, our reset work also covers our review of passenger train performance measures (completed in December 2024) and recalibration of financial incentives which we expect to complete by the end of 2025, with the new recalibrated parameters to take effect from 1 April 2026.

1.8 A more detailed timeline for the remainder of the CP7 reset is in Annex D of this consultation.

1.9 The measures we will use in CP7 years 3 to 5 to monitor and hold Network Rail to account are summarised in Table 1.1. The main changes we have made are to replace On Time with Time to 3 as the whole-industry punctuality success measure for England & Wales and promoting Network Rail delay minutes to a success measure. Our passenger train performance success measures in CP7 years 3 to 5 provide a balance across the three key train performance factors of reliability, punctuality and delay.

Table 1.1 Passenger train performance: CP7 (years 3 to 5) outcomes framework

Tier	Measure
1: Success measures	• Time to 3 (England & Wales only) • Cancellations (by train services) • Scotland train performance measure (Scotland only) • Network Rail delay minutes per 1,000 miles train travel
2: Supporting measures	• On Time • Time to 3 (Scotland only) • Time to 15 • Cancellations (by stations) • Average Passenger Lateness

2. Context for resetting performance targets

2.1 Improving reliability and ensuring punctuality of the railway is a top priority, and this is a whole industry challenge. It is vital that Network Rail continues to work with train operators to ensure that cancellations are reduced and that punctuality is maintained, even as passenger numbers increase.

2.2 When setting targets, it is important to consider current and historical performance trends alongside existing factors impacting performance improvement. The challenges in setting performance targets also needs to be acknowledged, and how we will hold Network Rail to account for delivery on its targets.

Current and historical performance

2.3 The trend in passenger cancellations has gradually increased to just over four percent, since the start of control period 5 (CP5), when they were around two percent. The outlier to this is Scotland, which has managed to return cancellations to much nearer two percent, even after the post-pandemic recovery in passenger demand. With cancellations at their highest rate, only Scotland met its regional target in year 1 of CP7.

2.4 The greatest variance in cancellations has most recently been caused by train operators, with traincrew and fleet issues a key contributing factor. However, Network Rail has a key role to play in improving cancellations with asset reliability, system operation and external factors, such as trespass, still being an important contributor to the unreliability of passenger services.

2.5 Punctuality, measured using Time to 3, worsened during the start of CP7 (from 84.7% at the end of CP6 year 5 to 84.3% at the end of CP7 year 1), but remains better than average CP5 levels. Wales & Western and North West & Central regions met their respective punctuality targets for year 1 of CP7, with Eastern and Southern missing theirs.

2.6 The unique set of operating conditions created during the pandemic helped industry deliver exceptional levels of performance during 2020 and 2021. Key drivers for this were the reduction in the number of train services and passenger demand.

2.7 The above trends in punctuality and reliability are shown in Figures 2.1 and 2.2.

Figure 2.1 Quarterly Passenger journeys and Cancellations MAA indexed (100 = 2015), Great Britain, April 2015 to March 2025

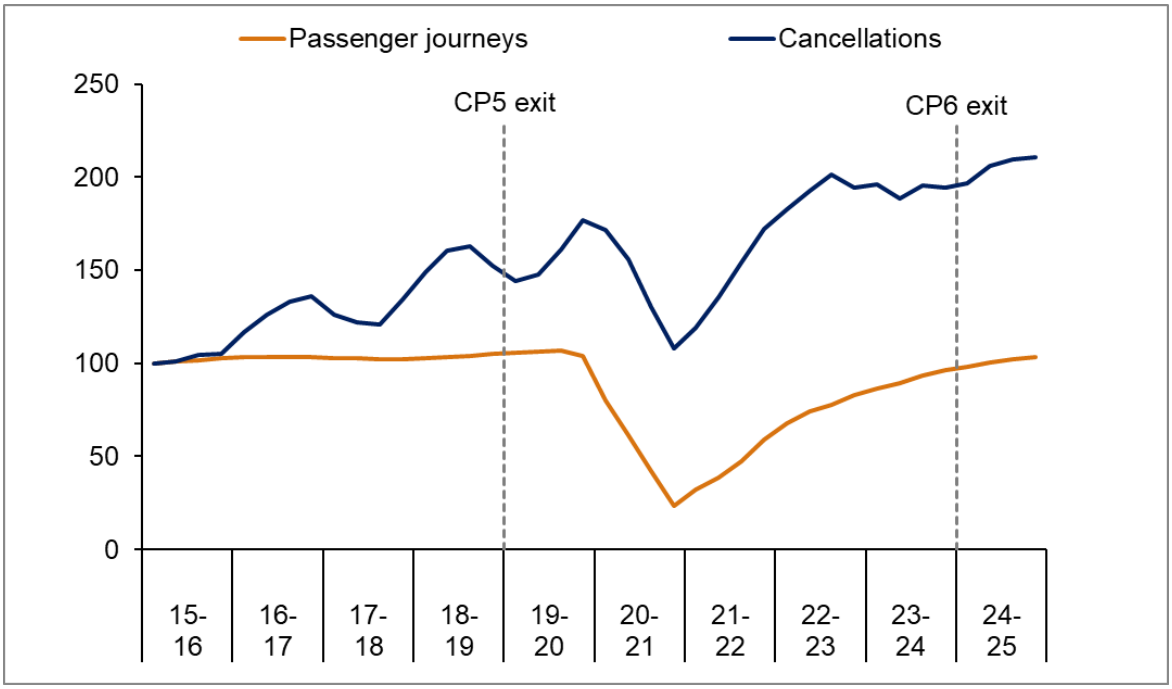
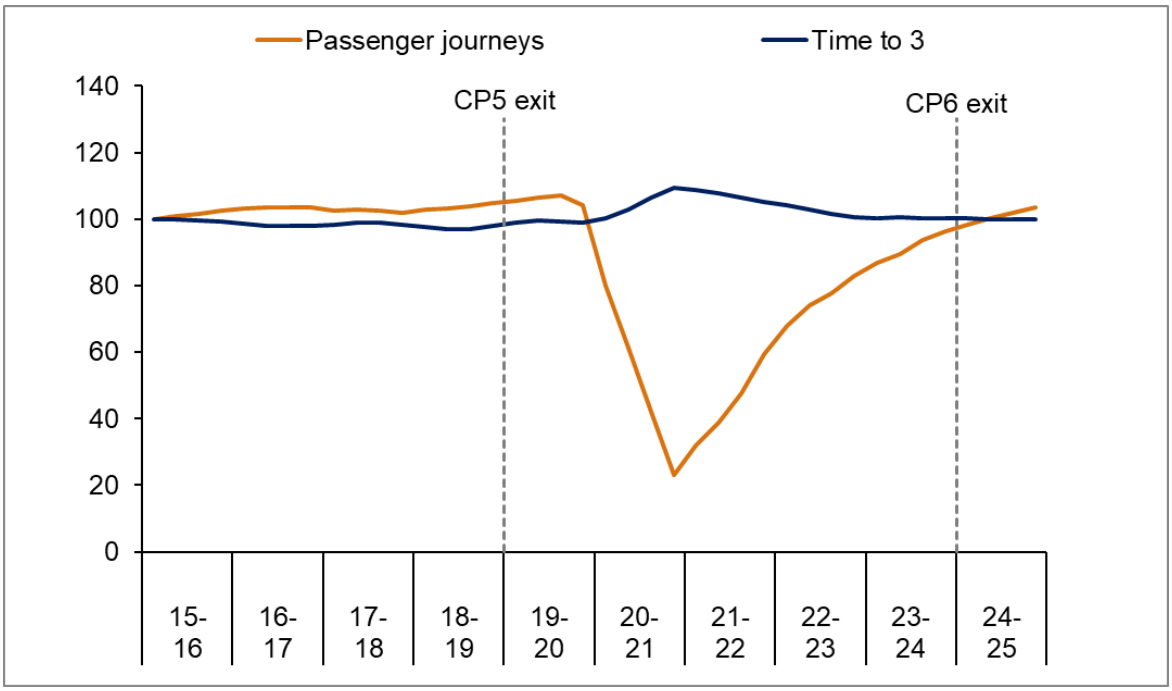


Figure 2.2 Quarterly Passenger journeys and Time to 3 MAA indexed (100 = 2015), Great Britain, April 2015 to March 2025



2.8 There is a relationship between passenger numbers and passenger train performance, as clearly demonstrated from the above charts during the height

of the pandemic between 2020 and 2021. Adverse weather conditions in some years have also had a negative impact on performance, as well as major engineering works and timetable changes.

Improving punctuality on Wales & Western

2.9 Punctuality has improved in Wales & Western, with the region meeting its year 1 of CP7 target for punctuality. This marks a noticeable turnaround in performance.

2.10 In response to declining train performance, ORR conducted a formal investigation in late 2023 and early 2024. Following this, in July 2024, we issued an enforcement order requiring Network Rail to develop and implement a better improvement plan. The region responded constructively, producing a robust, evidence-based, and comprehensive plan, which we accepted.

2.11 We are satisfied that the region is making good progress in delivering the plan, as reflected in the recent improvements in punctuality.

Eastern improvement plan

2.12 During year 1 of CP7, whole industry train performance deteriorated in Network Rail's Eastern region. Network Rail delay per 1,000 miles improved slightly, with an increase in delays associated with external factors compared to the previous year, offset by a reduction in delays associated with severe weather (which fell by 27%). In October 2024, we wrote to Network Rail requesting that it review and refresh its performance improvement plan. It acknowledged the request and upgraded its regional plan. After reviewing the revised improvement plan, we confirmed in May 2025 that we were content that the key areas were addressed and that we considered the plan to be credible. We are closely monitoring Eastern's delivery against the plan in Year 2 of CP7.

2.13 The December 2025 East Coast Main Line (ECML) timetable change presents a significant risk to punctuality for the remainder of CP7. We have examined this closely in our assessment of Network Rail's forecasts, as outlined later in this document, and will hold the company to account to ensure it takes reasonable steps to mitigate the impact on end-users.

Factors impacting future performance

2.14 The funding available for CP7 reflected wider fiscal conditions at the time of the PR23 final determination and was constrained relative to the needs of the asset renewal cycle. This meant that Network Rail planned to conduct fewer

renewals, with more refurbishment, life-extending repairs and maintenance in comparison to CP6.

2.15 While asset renewals delivery was good in the first year of CP7, Network Rail's plan for renewals in the remainder of CP7 is changing, as it continues to operate in a fiscally challenging environment. It is now planning fewer renewals across the control period compared to its initial CP7 delivery plan. This planned reduction risks additional deterioration of its assets which may lead to more asset failures and therefore disruption to train services.

2.16 There is also further uncertainty to be managed in areas including inflation, changing weather patterns and train operator contributions to whole industry performance.

2.17 A significant part of our monitoring of Network Rail and industry engagement for this control period is focused on these and other key risks. If these risks are not effectively managed now, this could result in a deterioration of train service punctuality and reliability in the latter part of the control period. This would make delivery very challenging for Great British Railways (GBR). Further, if realised, they potentially lead to inefficient spending on infrastructure in future funding periods.

2.18 The draft targets in this consultation document represent one part of the foundation for future improvement as Network Rail and train operators work increasingly closely together and as GBR is created. Looking beyond CP7 to the next funding period, by which time GBR is expected to have been operational, it is imperative that the industry fully capitalises on the opportunities presented by rail reform to maximise performance benefits in the interests of passengers, users and funders.

2.19 As part of reform, the industry is looking at opportunities to improve the base operating plan, by resolving traincrew issues and delivering changes to the timetable to support improved performance. Again, this will take time to deliver as the structure of the industry changes through reform, and we expect to see the benefits in future control periods.

2.20 Greater integration of train operations and infrastructure management is being introduced ahead of GBR through new integrated management units (often referred to as alliances), starting with the train operators Southeastern and South Western Railway. These arrangements are expected to deliver benefits for passengers, including improved train performance. However, the alliance plans were not fully developed when Network Rail prepared its performance

forecasts for the reset. There is now an opportunity to reflect these developments in its updated forecasts, ahead of the close of our consultation in September 2025.

Challenges in setting future performance targets

2.21 Setting long-term train performance targets is challenging and history shows that the industry has often adopted an overly optimistic approach. Setting targets beyond an ambitious yet realistic level has implications for the funds available and for the long-term sustainability of the network, because funding is largely fixed the remainder of this control period. However, setting Network Rail targets that would be too easily outperformed also exposes train operators to financial payments. Therefore, taking an evidence-led approach and involving as many stakeholders as possible in our final decisions is essential.

Holding to account

2.22 We will conclude on final targets in November this year. From 1 April 2026, we will firmly hold Network Rail to account against its delivery in line with our PR23 final determination: policy position on holding to account. Where necessary, we will take appropriate action to drive improvement as described above.

2.23 We will continue to use a variety of tools to monitor Network Rail's delivery of train performance for the remainder of CP7. This includes monitoring performance against our success measure targets together with a range of existing industry measures, existing improvement plans and undertaking regular data analysis to help understand performance. This is supported by regular engagement with Network Rail regions, the System Operator (SO) and other industry stakeholders including train operators.

Managing further change

2.24 During CP7 there is a robust change control process to facilitate potential changes to the targets in the CP7 outcomes framework if there is a material change in circumstances. Outside of the CP7 reset, and notwithstanding any industry reform implications, we expect these types of changes to be rare as we wish to maintain as much certainty as possible on train performance expectations over the control period. More information on this can be found in our PR23 final determination: policy position on managing change.

3. Our assessment of Network Rail's train performance plans

Evidence for our assessment

3.1 Overall, the train performance plans that Network Rail submitted to us in May 2025 met the guidance we shared with Network Rail ahead of submission. As part of its plans, Network Rail included national and regional proposed targets for Cancellations (by train services), Time to 3 and Network Rail delay minutes per 1,000 miles train travel for CP7 years 3 to 5 alongside the underlying assumptions.

3.2 As part of our assessment of Network Rail's plans and proposed targets, we have looked at a range of evidence. We have:

- scrutinised Network Rail's passenger train performance plans referenced above;
- jointly (with Network Rail) appointed an Independent Reporter (Jacobs) to examine Network Rail's proposed targets in greater detail, including its review of assumptions, models and outputs;
- held challenge sessions, including with the Network Rail regions in England & Wales and Scotland, to help understand the reasoning behind its proposed targets;
- run two additional challenge sessions with Network Rail to better understand the performance impact of the East Coast Mainline (ECML) timetable change;
- analysed current performance (including changes since we set targets in PR23), Network Rail's existing improvement plans, forecasts for CP7 year 2 exit, and historic data and trends; and
- engaged with DfT on the train operator element of Network Rail's proposed targets for whole system measures and engaged Transport Scotland on Network Rail's targets.

Overall assessment

3.3 Network Rail's plans would broadly hold punctuality at current levels and reduce cancellations from current levels. Our provisional assessment is that Network Rail's proposed targets are a credible balance of ambitious yet realistic, as required by the UK Government's high-level output specification (HLOS). Nevertheless, there are aspects of the plans (in certain regions) which we expect the company to review when it provides its updated forecasts to us in September 2025.

3.4 For Scotland, there is no change to the Scotland train performance measure which is outside the scope of the reset. The proposed targets for Cancellations and Network Rail delays remain aligned with targets for the Scotland train performance measure and the forecasts in the CP7 delivery plan which we recently reviewed.

3.5 Network Rail has based its proposed targets on its own improvements (as well as those of train operators) that are fully identified, funded and planned. It also considered recognised risks.

3.6 Network Rail has demonstrated that improving resilience of train operator resourcing would have a beneficial effect on network outcomes, including some of Network Rail's own attributed delays. The plans and funding for these schemes are not yet substantially developed. DfT has confirmed this approach matches its current view and that the scope and timing of further significant train operator improvements are not sufficiently defined to be included.

3.7 We recognise the ongoing challenge of external factors and weather delay, which are not wholly within Network Rail's control, and which are largely factored into plans appropriately.

3.8 As mentioned above, our assessment, supported by the Independent Reporter, highlights areas of Network Rail's plans where there may be scope for review. We expect Network Rail to consider these during the consultation period, working collaboratively with industry partners to develop its plans. For example, since Eastern submitted its plans earlier this year, the region and the System Operator (SO) have continued to work closely with industry and funders to develop plans to mitigate the performance impact of the December 2025 timetable change. We expect these to be reflected in the updated proposed targets from Network Rail.

3.9 In this consultation, it is proposed that punctuality would be broadly unchanged at the end of CP7 from current levels in England and Wales, and cancellations reduced. For Scotland, cancellations are projected to be broadly unchanged at the end of CP7 from current levels, with continued improvement projected in punctuality for the same time period.

3.10 More details on proposed targets for each success measure for CP7 years 3 to 5 are set out in the section below. The full five-year proposed targets for each Network Rail region are set out in Annex B.

Time to 3

3.11 National punctuality continues to be better on average than prior to the pandemic. However, it has been declining since its post-COVID-19 pandemic peak, as passengers have returned to the network and more trains have been added to timetables. Additionally, challenges to the infrastructure (from external events to long-term asset condition) as well as train operators (such as traincrew availability and rolling stock issues) have contributed to a decline in performance, and are likely to continue to do so.

3.12 The ECML timetable change in December 2025 will provide additional services for passengers. However, it is also expected to worsen punctuality, and Network Rail considers this to be the single biggest downward pressure in its forecasts. Network Rail expects that the ECML timetable changes will lead to a ‘bathtub’ curve impact (decline in performance) in the first 24 months and result in a sustained reduction in performance in punctuality.

3.13 Network Rail predicts that the Time to 3 forecast for Great Britain in year 5 of CP7 will be 0.5 percentage points worse than the forecast would be without the ECML timetable change. For the Eastern region, Time to 3 in year 5 is forecasted to be 1.9 percentage points lower than it would have been without the change. For the Southern region, Time to 3 is forecasted to be 0.1 percentage points lower in year 5 than it would have been without the timetable change.

3.14 Network Rail has included regional Time to 3 proposed targets for the last three years of CP7. Network Rail’s proposed targets were produced for England & Wales regions using bottom-up forecasts from Network Rail regions, taking into account performance improvement schemes and risks.

3.15 Our assessment of these Time to 3 proposed targets is that they are a credible basis for consultation given the whole industry issues (current and future)

affecting punctuality. However, we have identified some areas for review by Network Rail when developing its updated forecasts. This is supported by the Independent Reporter's assessment at this stage, and we expect Network Rail to review and update its forecasts to reflect the latest evidence. Areas to be reviewed include, but are not limited to:

- issues identified with the Network Rail punctuality/delay model (across all Network Rail regions);
- the estimated impact from the ECML timetable change (for Eastern and Southern regions), both in their introductory phase ("bathtub curve") and in the longer-term;
- how the impact of external incidents is taken into account (for North West & Central region);
- how the expected impact of weather is taken into account (for North West & Central region); and
- how the impact of existing improvement plans is taken into account (for Southern region).

3.16 The proposed Time to 3 target for the end of CP7 for England & Wales is 83.9%. The proposed targets for years 3 to 5 of CP7 for each region is detailed in Table 3.1 below.

Table 3.1 Time to 3 by region and year

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	85.7%	85.0%	85.5%	81.9%	82.3%	84.6%
North West & Central	82.7%	82.5%	82.3%	82.2%	82.2%	82.2%
Southern	86.2%	85.2%	85.0%	85.1%	85.2%	85.4%
Wales & Western	76.1%	78.6%	79.1%	79.5%	79.9%	80.0%
England & Wales	84.2%	83.8%	83.9%	82.9%	83.1%	83.9%

Cancellations (by train services)

3.17 Cancellations are above historic levels in England & Wales and it is likely that there will be continuing challenges from the infrastructure (from external events to long-term asset condition) as well as train operators (such as traincrew availability and rolling stock issues) which will affect performance.

3.18 Network Rail has proposed regional Cancellations targets for the last three years of CP7. Proposed targets were produced by Network Rail regions through the identification of performance improvement schemes and risks and using these to inform regional plans. These inputs were used in Network Rail's forecasting model to calculate the proposed targets.

3.19 We consider Network Rail's regions' proposed targets are a reasonable basis for consultation, when considering the current whole industry issues affecting cancellations. However, there is scope for review. This view is supported by the work undertaken by the Independent Reporter at this stage. Areas for review include, but are not limited to:

- how the impact of existing improvement plans is taken into account (for Southern region);
- how the impact of committed train operator schemes is taken into account (for North West & Central region); and
- how the expected impact of weather is taken into account (for North West & Central region).

3.20 The proposed target for Cancellations is 3.8% for the end of CP7 for Great Britain. The proposed targets for years 3 to 5 of CP7 for each region is detailed in Table 3.2 below.

Table 3.2 Cancellations (by train services) by region and year

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	3.7%	3.9%	3.6%	3.5%	3.4%	3.4%

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
North West & Central	4.4%	5.1%	4.7%	4.8%	4.8%	4.7%
Southern	3.4%	3.9%	4.0%	3.9%	3.8%	3.8%
Wales & Western	4.9%	4.7%	4.4%	4.3%	4.3%	4.3%
Scotland	2.5%	2.2%	2.3%	2.3%	2.3%	2.3%
England & Wales	3.9%	4.3%	4.1%	4.0%	4.0%	3.9%
Great Britain	3.8%	4.1%	3.9%	3.9%	3.8%	3.8%

Network Rail delay minutes per 1,000 miles train travel

3.21 Performance in delay has been mixed in the first year of CP7. Whilst Scotland and two regions in England and Wales (Southern and Wales & Western) have outperformed Network Rail's own targets for year 1 of CP7, Eastern and North West & Central regions ended the year above (worse) than their targets.

3.22 There are challenges for infrastructure (for example, from external events to long-term asset condition) as well as train operators (for example, where limited traincrew flexibility affects the ability to recover to 'normal service' after an incident), all of which are likely to continue to have some effect on delay performance. Changes to the ECML timetable in December 2025 is also expected to worsen performance in delay.

3.23 Network Rail has included proposed targets for the last three years of CP7 for regional Network Rail delay minutes per 1,000 miles train travel. These targets were produced by each region, which consider their performance improvement schemes and risks.

3.24 Our assessment of these Network Rail delay minutes per 1,000 miles train travel proposed targets is that they are a credible basis for setting new targets when considering the current whole industry issues affecting delay. However, working with the Independent Reporter we have identified areas for review. In

addition to the areas identified for Time to 3, these include, but are not limited to:

- how the impact of operational changes is considered (for North West & Central region); and
- how the availability of Network Rail resources contributes to delay.

3.25 The proposed Network Rail delay minutes per 1,000 miles train travel target is 32.6 for the end of CP7 for Great Britain. The proposed targets for the end of CP7 for each region is detailed in Table 3.3 below.

Table 3.3 Network Rail delay minutes per 1,000 miles train travel by region and year

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	28.8	28.4	28.5	35.3	34.6	30.3
North West & Central	31.1	32.2	32.9	34.0	34.2	34.6
Southern	42.3	42.1	42.5	42.3	42.1	41.8
Wales & Western	45.1	36.7	35.9	34.6	33.8	33.3
Scotland	21.4	17.7	17.0	17.0	15.0	15.0
England & Wales	34.6	33.9	33.4	36.4	36.0	34.4
Great Britain	33.2	32.2	32.3	34.5	34.0	32.6

Annex A - Description of success and supporting measures

Table A.1 Description of passenger train performance success and supporting measures

Measure	Tier	Description	Monitoring focus
Time to 3	Success	The percentage of recorded station stops arrived at early or less than three minutes after the scheduled arrival time.	Region (England & Wales only), national passenger operator*
Cancellations (by train services)	Success	The percentage of planned passenger trains which either did not run their full planned journey or did not call at all their planned station stops. The measure is a score which weights full cancellations as one and part cancellations as half.	Region, national passenger operator*

Measure	Tier	Description	Monitoring focus
Scotland train performance measure	Success	An adjusted version of the ScotRail Passenger Performance Measure (PPM) where delays caused by the need for speed restrictions during periods of severe weather, or where trains have been delayed in order to permit connections from other late running trains or ferries, have been removed. PPM is the percentage of planned trains arriving at their final scheduled destination early or less than five minutes after their scheduled arrival time having called at all their planned station stops.	ScotRail
Network Rail delay minutes per 1,000 miles train travel	Success	Network Rail attributed delay minutes to in-service passenger trains from incidents occurring in each region per 1,000 train miles.	Region, national passenger operator*
On Time	Supporting	The percentage of recorded station stops arrived at early or less than one minute after the scheduled arrival time.	Region
Time to 3	Supporting	The percentage of recorded station stops arrived at early or less than three minutes after the scheduled arrival time.	Scotland

Measure	Tier	Description	Monitoring focus
Time to 15	Supporting	The percentage of recorded station stops arrived at early or less than 15 minutes after the scheduled arrival time.	Region
Cancellations (by stations)	Supporting	The percentage of station stops cancelled. The measure is a count of cancelled station stops divided by the count of planned stops.	Region
Average Passenger Lateness	Supporting	The average lateness of a passenger as they alight from their train. The measure reflects the impact of train punctuality and cancelled trains on passenger lateness and is weighted by the number of passengers expected to alight at stations.	Great Britain

*We expect Network Rail's System Operator (SO) to include forecasts for national passenger operators in its update to the CP7 delivery plan for the following success measures:

- Cancellations (by train services)
- Time to 3; and
- Network Rail delay minutes per 1,000 miles train travel.

Annex B - Draft targets

Time to 3: draft targets and PR23 indicative targets

Table B.1 Time to 3 by region and draft targets CP7 years 3 to 5

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	85.7%	85.0%	85.5%	81.9%	82.3%	84.6%
North West & Central	82.7%	82.5%	82.3%	82.2%	82.2%	82.2%
Southern	86.2%	85.2%	85.0%	85.1%	85.2%	85.4%
Wales & Western	76.1%	78.6%	79.1%	79.5%	79.9%	80.0%
England & Wales	84.2%	83.8%	83.9%	82.9%	83.1%	83.9%

Table B.2 Time to 3 by region and PR23 indicative targets (implied Time to 3 derived from On Time targets)

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	PR23 indicative target 2026 to 2027 (year 3)	PR23 indicative target 2027 to 2028 (year 4)	PR23 indicative target 2028 to 2029 (year 5)
Eastern	85.7%	85.0%	85.5%	86.5%	86.5%	86.5%
North West & Central	82.7%	82.5%	82.3%	82.5%	82.6%	82.6%
Southern	86.2%	85.2%	85.0%	85.8%	85.8%	85.8%
Wales & Western	76.1%	78.6%	79.1%	78.8%	78.8%	78.8%
England & Wales	84.2%	83.8%	83.9%	84.6%	84.6%	84.6%

Figure B.1 Time to 3 from April 2019 to March 2025 moving annual average (MAA) with CP7 reset draft targets and PR23 indicative targets (implied Time to 3 derived from On Time targets) – England & Wales

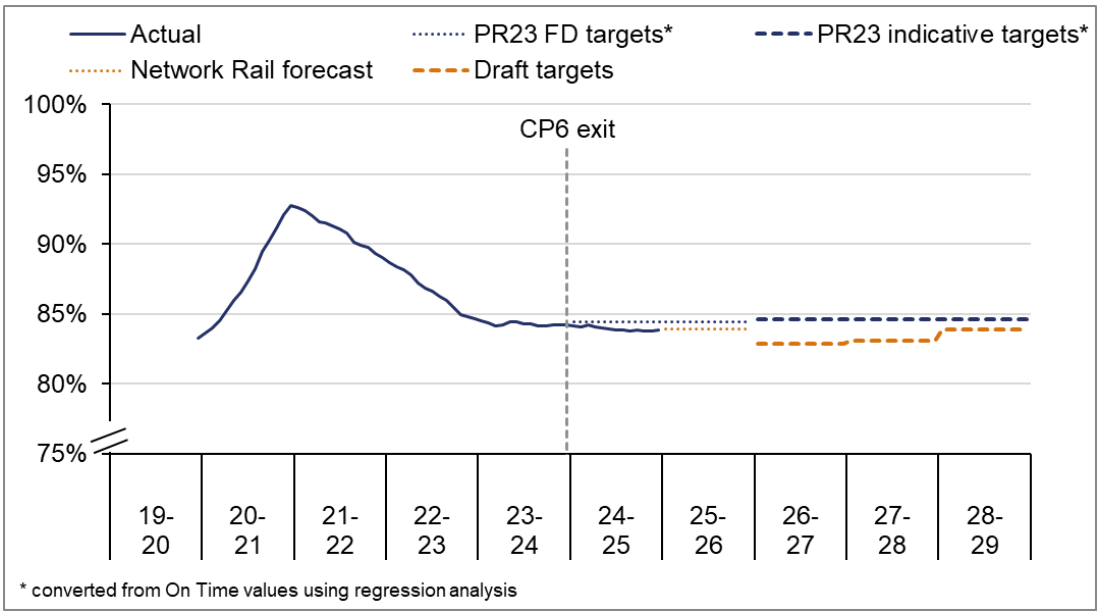


Figure B.2 Time to 3 from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets (implied Time to 3 derived from On Time targets) – Eastern

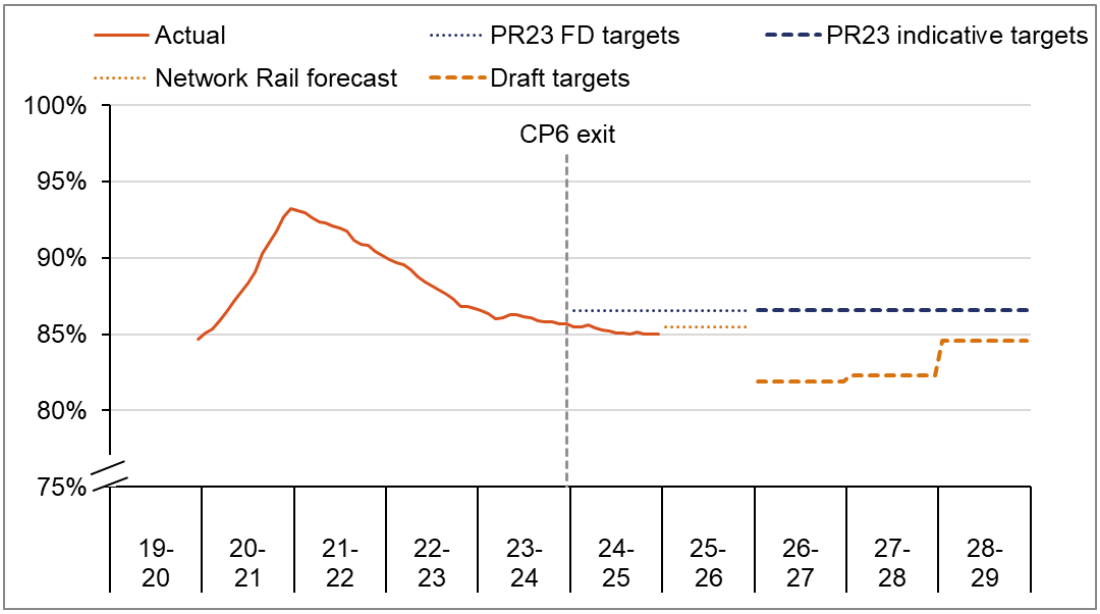


Figure B.3 Time to 3 from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets (implied Time to 3 derived from On Time targets) – North West & Central

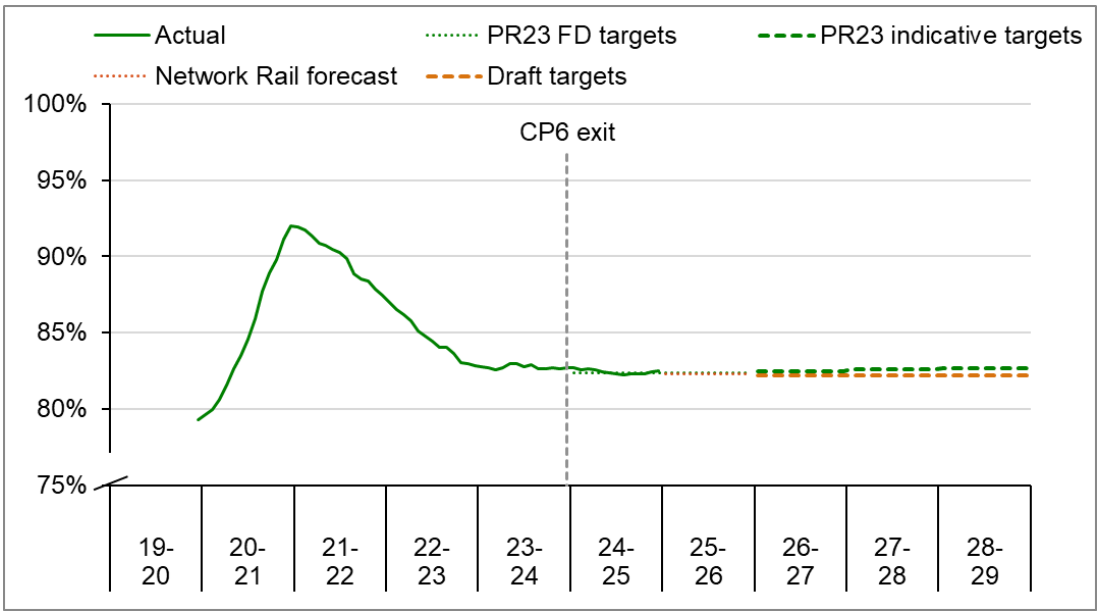


Figure B.4 Time to 3 from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets (implied Time to 3 derived from On Time targets) – Southern

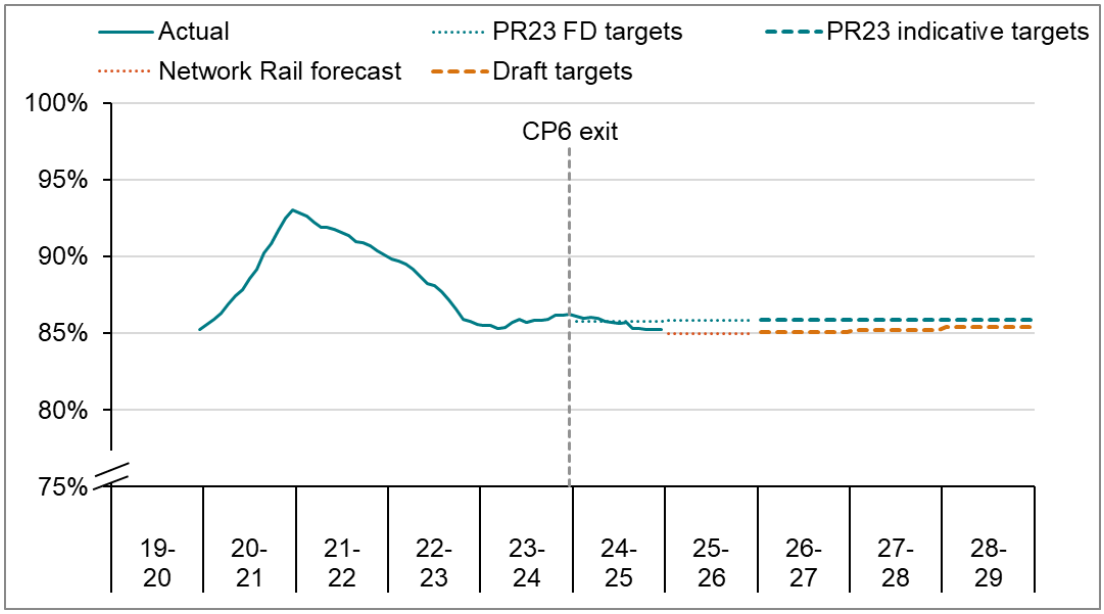
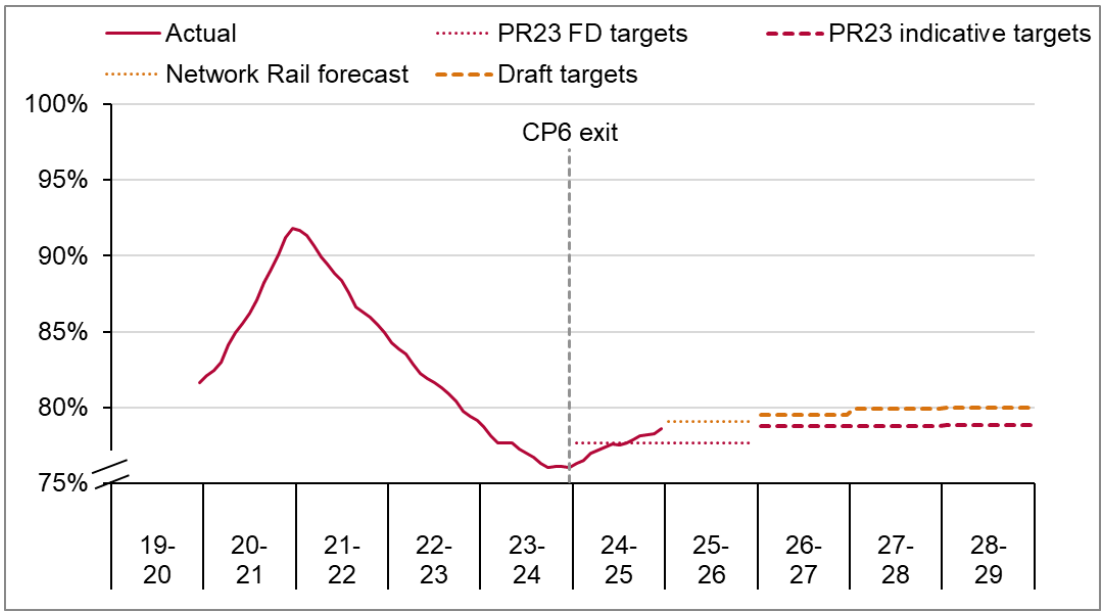


Figure B.5 Time to 3 actuals from April 2019 to March 2025 with CP7 reset draft targets and PR23 indicative targets (implied Time to 3 derived from On Time targets) – Wales & Western



Cancellations (by train services): draft targets and PR23 indicative targets

Table B.3 Cancellations (by train services) by region and draft targets CP7 years 3 to 5

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	3.7%	3.9%	3.6%	3.5%	3.4%	3.4%
North West & Central	4.4%	5.1%	4.7%	4.8%	4.8%	4.7%
Southern	3.4%	3.9%	4.0%	3.9%	3.8%	3.8%
Wales & Western	4.9%	4.7%	4.4%	4.3%	4.3%	4.3%
Scotland	2.5%	2.2%	2.3%	2.3%	2.3%	2.3%
England & Wales	3.9%	4.3%	4.1%	4.0%	4.0%	3.9%

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Great Britain	3.8%	4.1%	3.9%	3.9%	3.8%	3.8%

Table B.4 Cancellations (by train services) by region and PR23 indicative targets CP7 years 3 to 5

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	PR23 indicative target 2026 to 2027 (year 3)	PR23 indicative target 2027 to 2028 (year 4)	PR23 indicative target 2028 to 2029 (year 5)
Eastern	3.7%	3.9%	3.6%	3.1%	2.9%	2.7%
North West & Central	4.4%	5.1%	4.7%	3.3%	3.2%	3.0%
Southern	3.4%	3.9%	4.0%	3.4%	3.2%	3.1%
Wales & Western	4.9%	4.7%	4.4%	3.6%	3.5%	3.3%
Scotland	2.5%	2.2%	2.3%	2.3%	2.3%	2.3%
England & Wales	3.9%	4.3%	4.1%	3.4%	3.3%	3.2%
Great Britain	3.8%	4.1%	3.9%	3.2%	3.2%	3.1%

Figure B.6 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets for years 3 to 5 – Great Britain

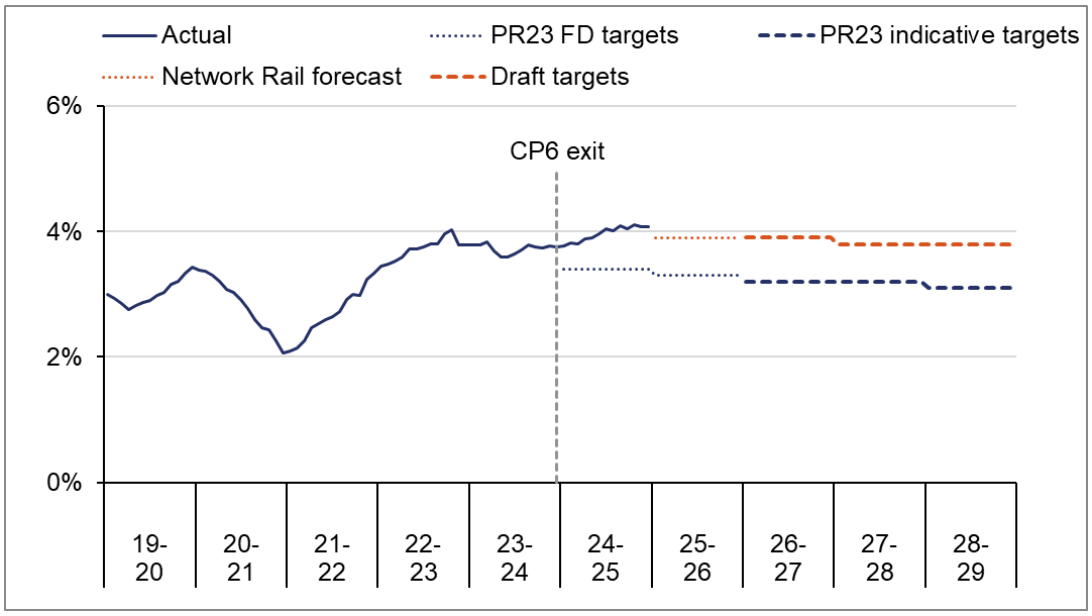


Figure B.7 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – England & Wales

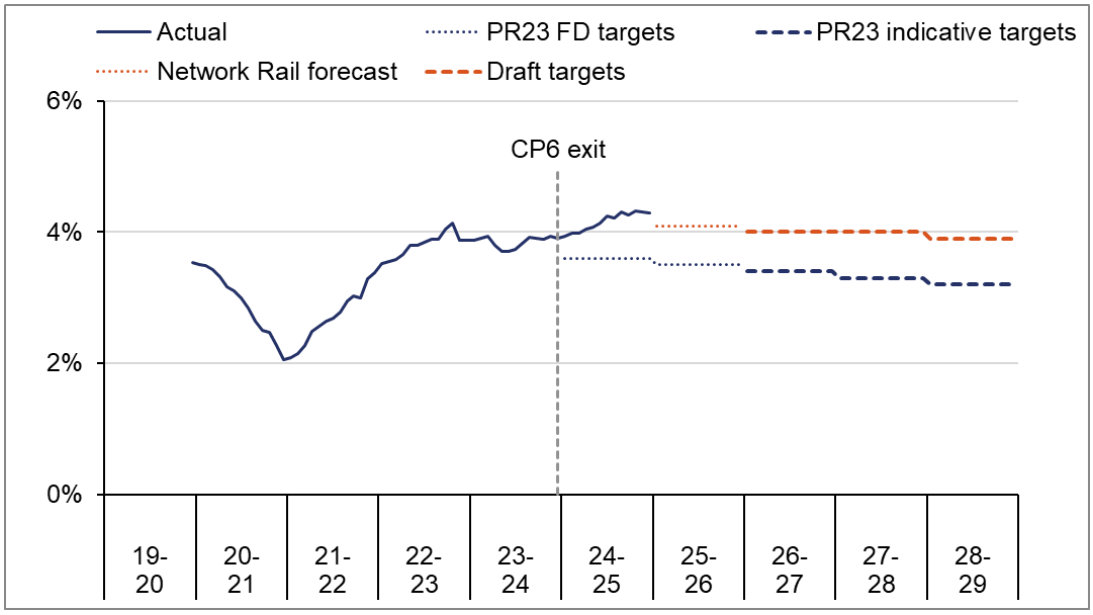


Figure B.8 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – Scotland

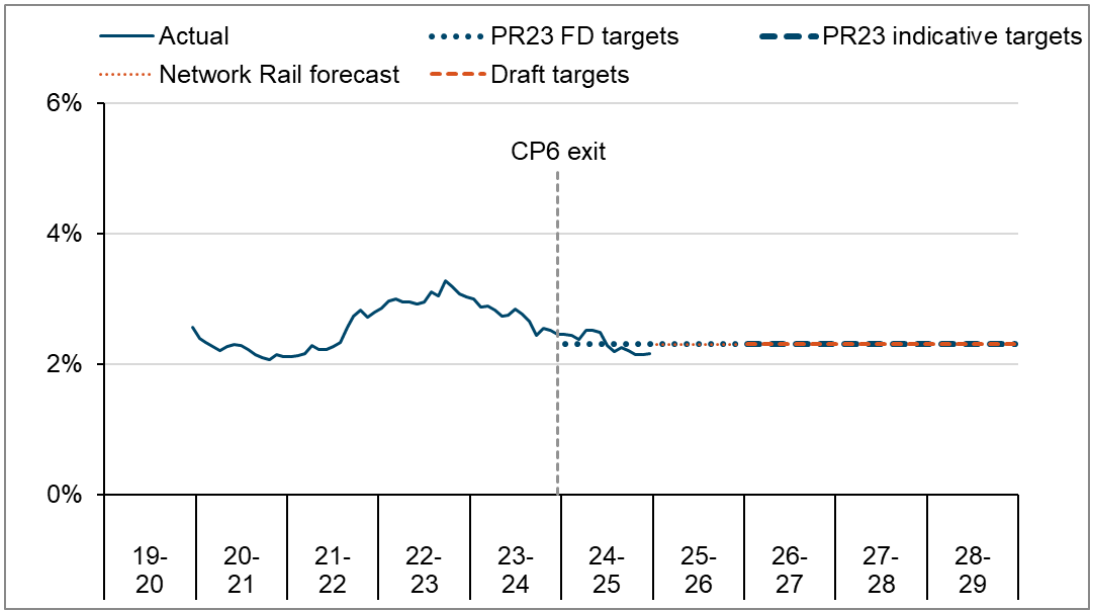


Figure B.9 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – Eastern

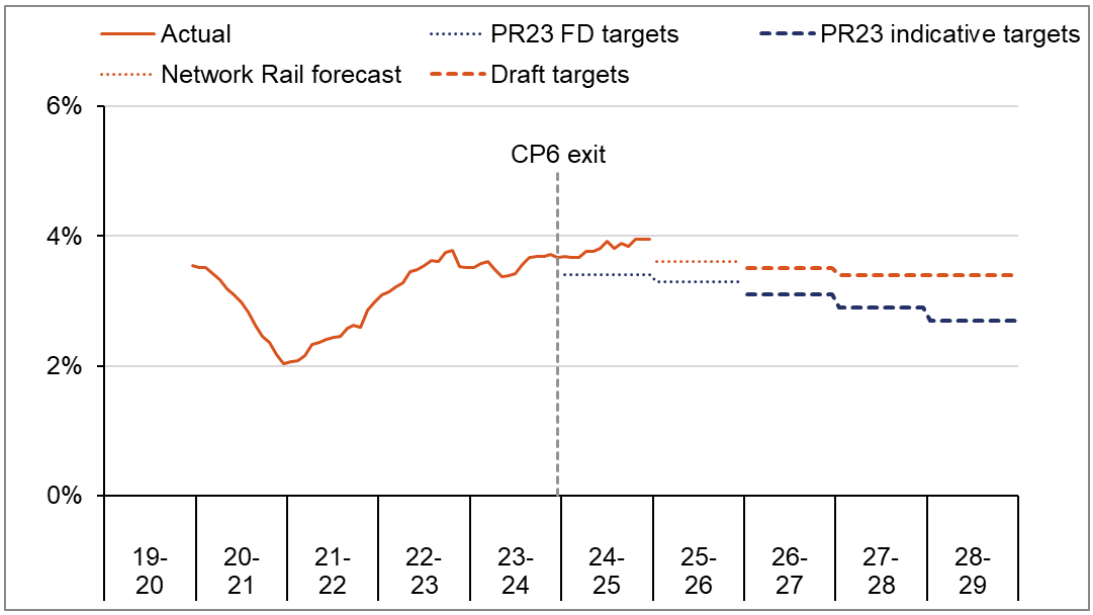


Figure B.10 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – North West & Central

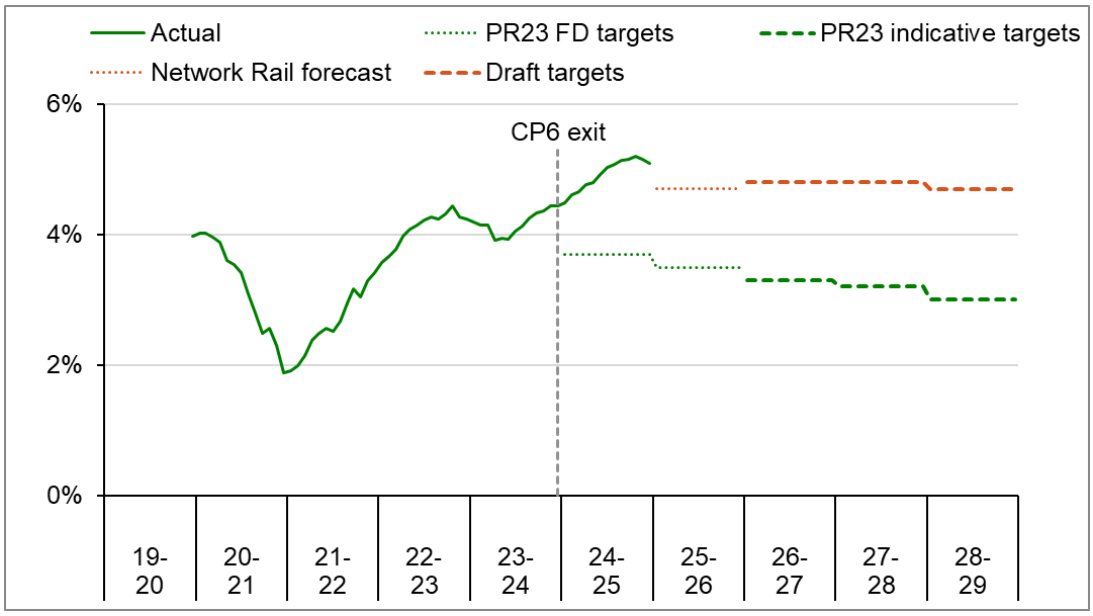


Figure B.11 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – Southern

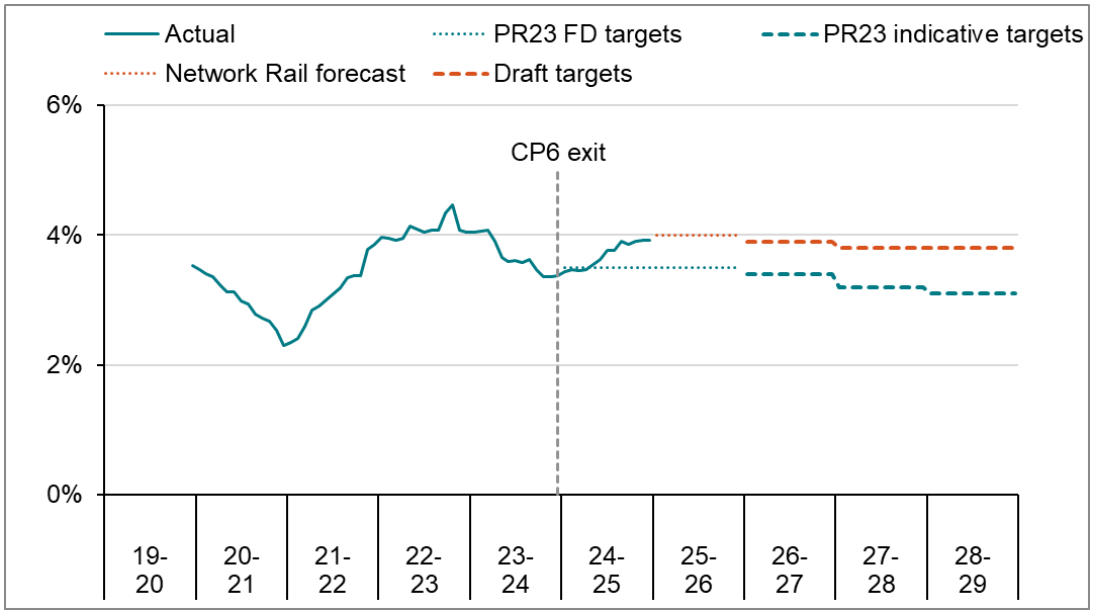
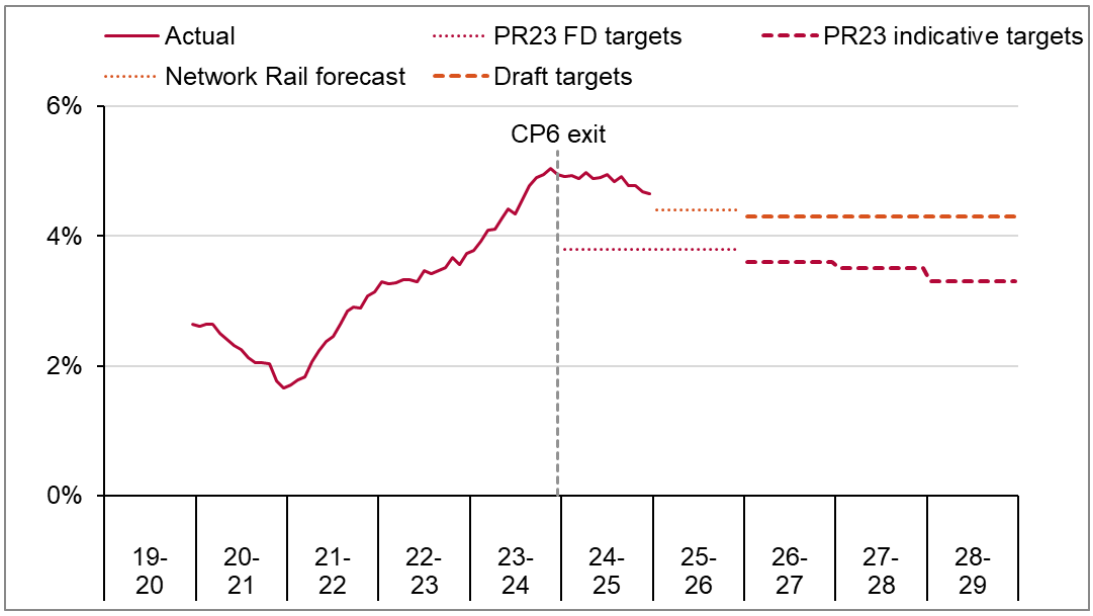


Figure B.12 Cancellations (by train services) from April 2019 to March 2025 MAA with CP7 reset draft targets and PR23 indicative targets – Wales & Western



Network Rail delay minutes per 1,000 miles train travel: draft targets and Network Rail Delivery Plan 2024 targets

Delay minutes per 1,000 miles train travel was a supporting measure in PR23. As such we did not produce targets for this measure in our PR23 final determination. However, Network Rail provided forecasts in the form of ranges for years 3 to 5 of CP7 in its 2024 Delivery Plan, the Network Rail element of which has been set out in Table B.6 below.

Table B.5 Network Rail delay minutes per 1,000 miles train travel by region and draft targets CP7 years 3 to 5

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Eastern	28.8	28.4	28.5	35.3	34.6	30.3
North West & Central	31.1	32.2	32.9	34.0	34.2	34.6
Southern	42.3	42.1	42.5	42.3	42.1	41.8

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Draft target 2026 to 2027 (year 3)	Draft target 2027 to 2028 (year 4)	Draft target 2028 to 2029 (year 5)
Wales & Western	45.1	36.7	35.9	34.6	33.8	33.3
Scotland	21.4	17.7	17.0	17.0	15.0	15.0
England & Wales	34.6	33.9	33.4	36.4	36.0	34.4
Great Britain	33.2	32.2	32.3	34.5	34.0	32.6

Table B.6 Network Rail delay minutes per 1,000 miles train travel by region and Network Delivery Plan 2024 target ranges CP7 years 3 to 5

Region	Actual 2023 to 2024 (CP6 exit)	Actual 2024 to 2025 (year 1)	Network Rail forecast 2025 to 2026 (year 2)	Network Rail Delivery Plan 2024 target 2026 to 2027 (year 3)	Network Rail Delivery Plan 2024 target 2027 to 2028 (year 4)	Network Rail Delivery Plan 2024 target 2028 to 2029 (year 5)
Eastern	28.8	28.4	28.5	24.2 to 26.9	24.2 to 27.0	24.3 to 27.1
North West & Central	31.1	32.2	32.9	29.1 to 33.3	29.0 to 33.1	28.7 to 33.0
Southern	42.3	42.1	42.5	41.0 to 46.2	40.8 to 46.2	40.8 to 46.6
Wales & Western	45.1	36.7	35.9	38.6 to 40.1	38.8 to 40.3	38.8 to 40.3
Scotland	21.4	17.7	17.0	16.5	14.8	14.8
England & Wales	34.6	33.9	33.4	33.8 to 36.0	33.2 to 36.0	33.4 to 36.1
Great Britain	33.2	32.2	32.3	31.7 to 34.3	31.7 to 34.3	31.8 to 34.4

Figure B.13 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – Great Britain

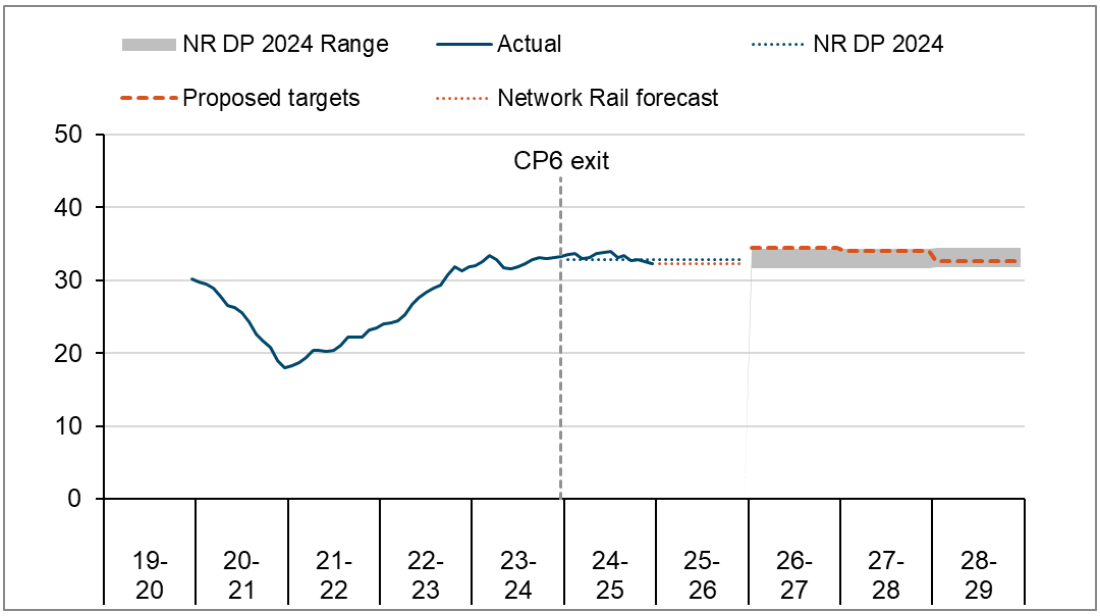


Figure B.14 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – England & Wales

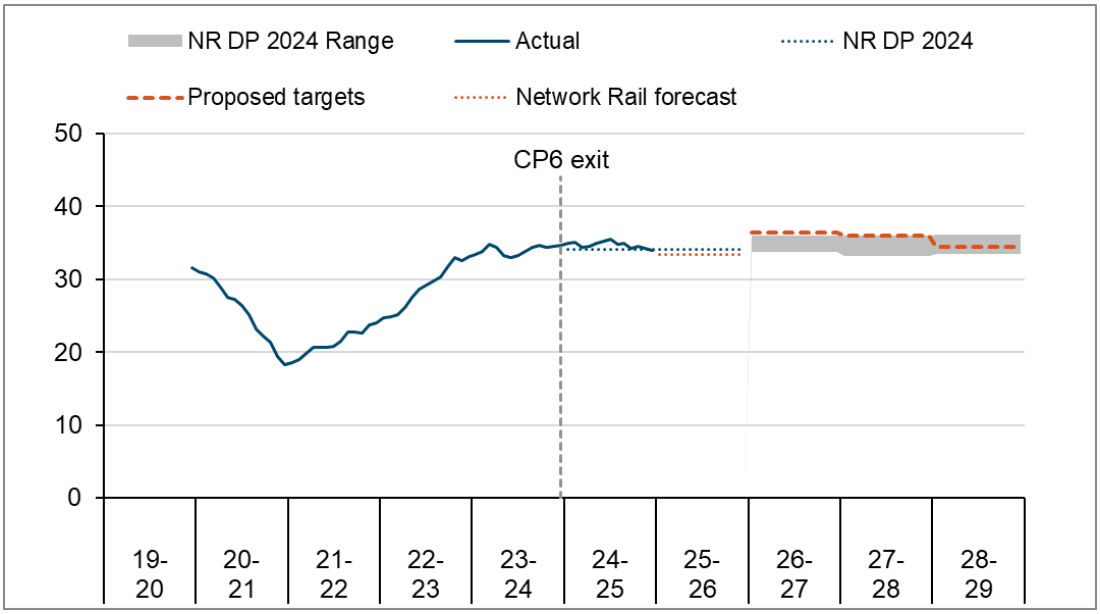


Figure B.15 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – Scotland

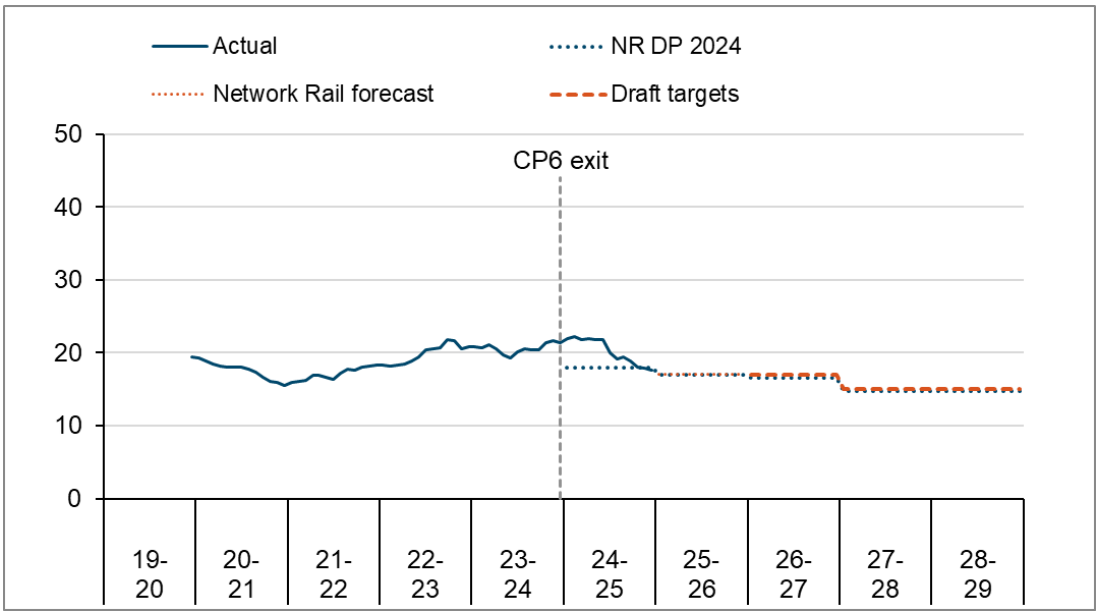


Figure B.16 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – Eastern

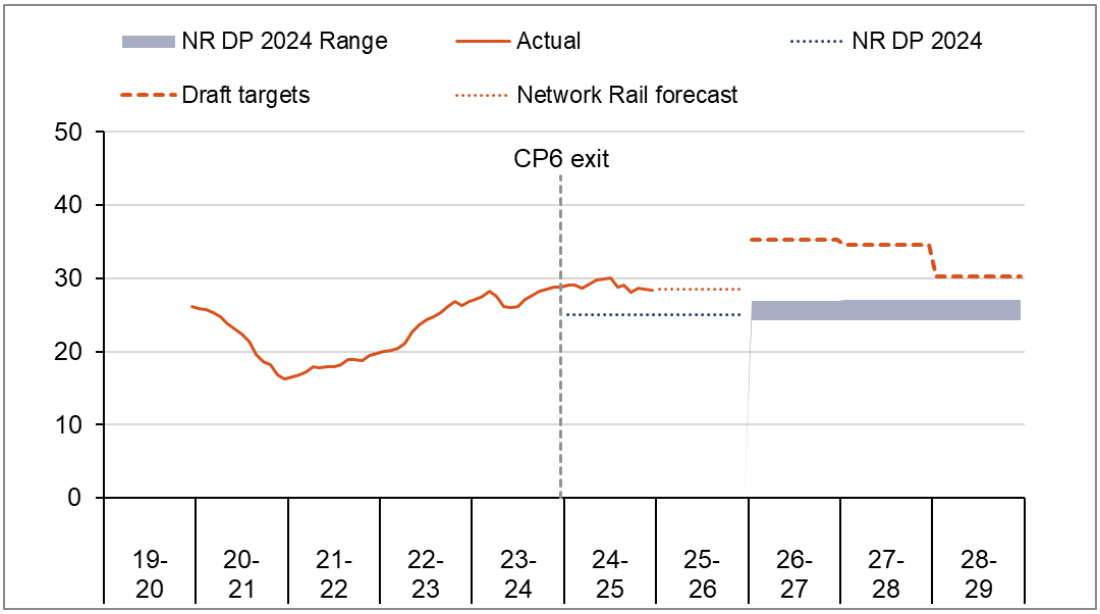


Figure B.17 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – North West & Central

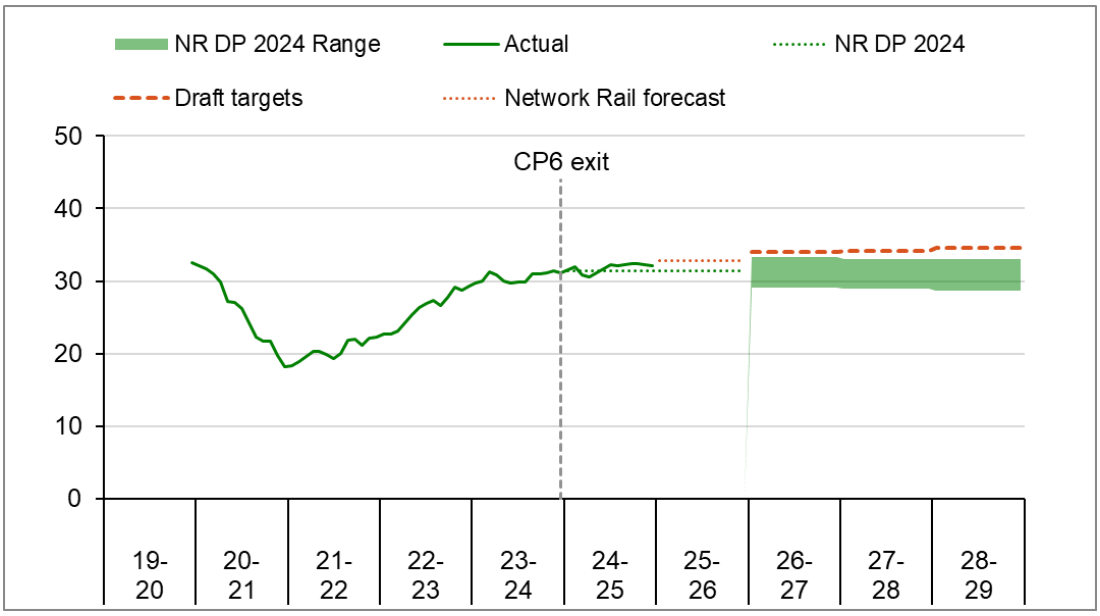


Figure B.18 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – Southern

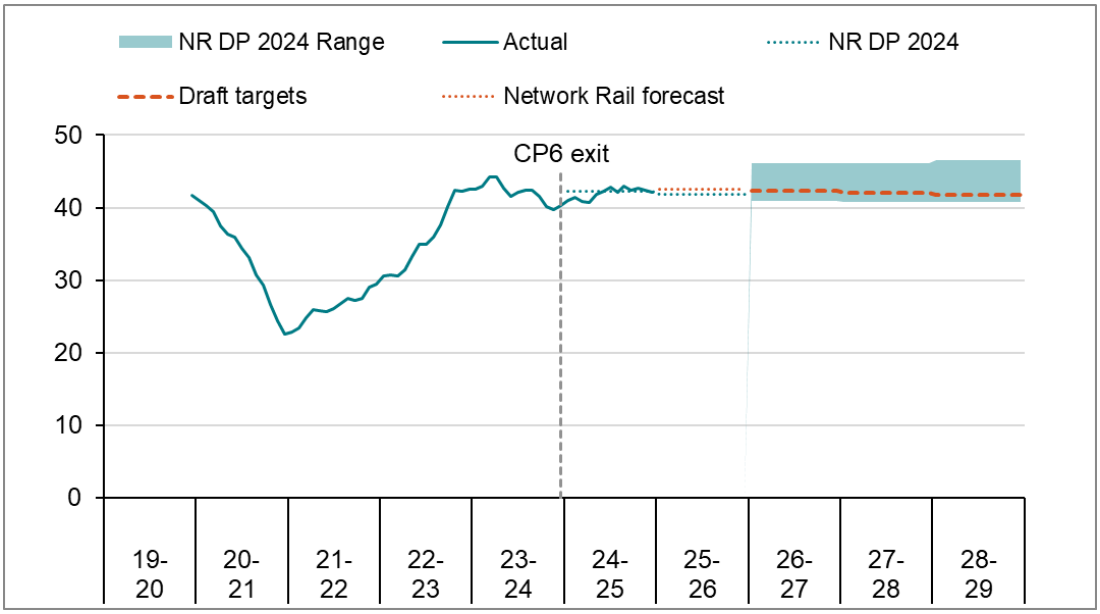
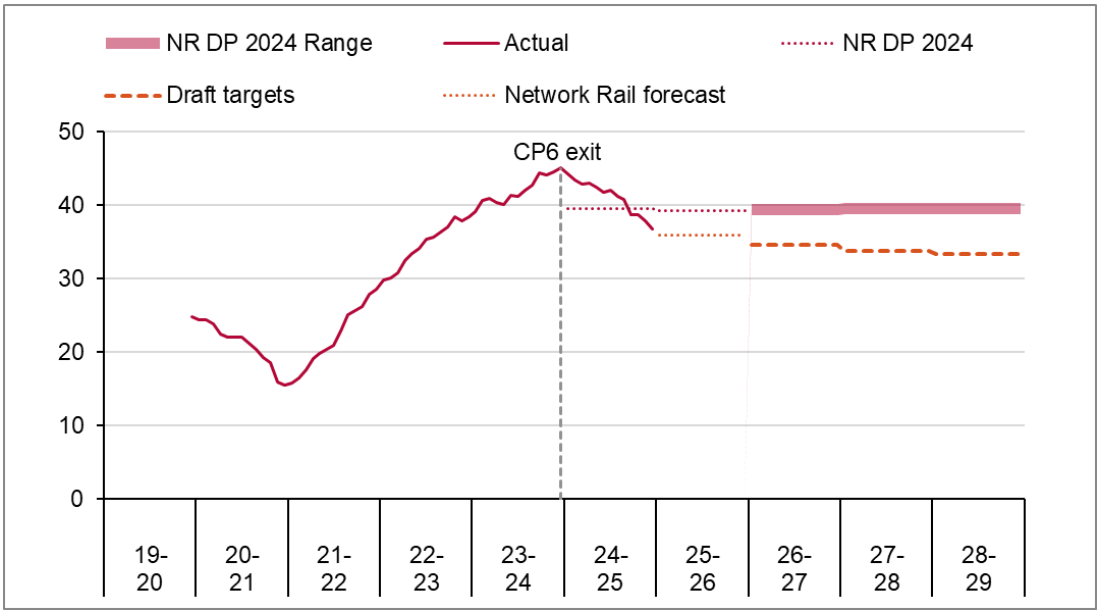


Figure B.19 Network Rail delay minutes per 1,000 miles train travel from April 2019 to March 2025 MAA with CP7 reset draft targets and Network Rail Delivery Plan 2024 targets – Wales & Western



Annex C – Conversion from On Time to Time to 3

As part of resetting performance targets, we needed to convert On Time Moving Annual Average (MAA) to Time to 3 MAA. This enabled us to convert the PR23 On Time MAA indicative targets for Years 3 to 5 of CP7 to Time to 3 MAA values.

Approach

Historic data was used to calculate On Time MAA and Time to 3 MAA for all Network Rail regions, England & Wales and Great Britain.

For each region, On Time MAA and Time to 3 MAA were plotted and the goodness of the fit (measured by R^2) for each regression model was noted. This was completed for datasets including and excluding data from April 2020 to March 2021. The regression models assessed were Exponential, Linear, Logarithmic, and Power models. The R^2 for each regression model was assessed and the model of best fit was identified for each region.

Overall, the logarithmic regression model fit best for most regions. Datasets excluding data from April 2020 to March 2021 were determined as having the best correlation overall.

Using the information from this assessment of regression models, we used the logarithmic regression model on the datasets excluding data from April 2020 to March 2021 to formulate the relationships between Time to 3 MAA and On Time MAA. This was applied across all regions and the function coefficients were calculated for each Network Rail region, England & Wales and Great Britain.

Formula

$y = a * \ln(x) + b$

where:

y = Time to 3 MAA value

x = On Time MAA value

a and b are the parameters of the function found by the least squares method,

ln is the natural logarithm function

Caveats

- On Time and Time to 3 data by region is only available from year 1 of CP6.
- The amount of historic data available limits the number of data points used in the regression analysis.

Annex D - CP7 reset delivery timeline

Table D.1 Timeline for delivery of CP7 passenger train performance reset

Workstream	Milestone	Target date(s)
Incentives recalibration	Release of draft Schedule 8 benchmarks and payment rates	July/August 2025
Incentives recalibration	Release of draft Schedule 4 Access Charge Supplements (ACSs) and other Schedule 4 parameters	August 2025
Train performance targets	Consultation on passenger train performance targets closes	September 2025
Train performance targets	Publication of final passenger train performance targets	November 2025
Incentives recalibration	Release of near-final Schedule 8 benchmarks and payment rates	November 2025
Incentives recalibration	Release of near-final Schedule 4 ACSs and other Schedule 4 parameters	December 2025
Incentives recalibration	Implementation of final Schedule 4 & 8 parameters	Early 2026, to take effect on 1 April 2026

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