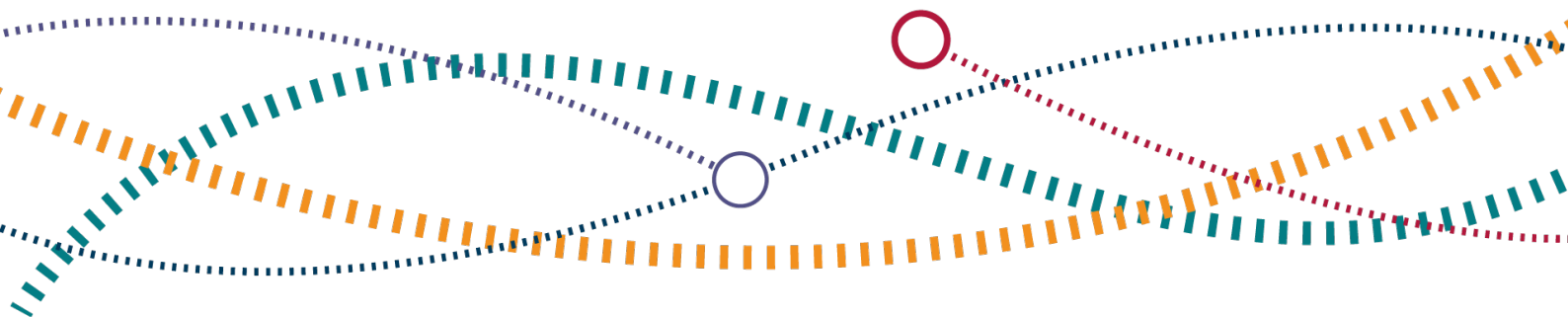


Network Rail Regional Renewals Planning – Prioritisation and Trade-offs for Managing Change Targeted Assurance Review

19 August 2025



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Executive Summary

The purpose of this Targeted Assurance Review (TAR) was to understand how Network Rail regions prioritised the renewals workbank for the CP7 baseline, and how they manage changes to the plan during the Control Period. In particular, the review focused on how regions make trade-offs when adjustments to the plan are needed – such as shifting investments between different asset types or routes, or changing intervention types from renewals to refurbishment or maintenance.

Key Findings

- All regions have taken up the challenge of increasing their change management capability and as would be expected in a devolved organisation, all have taken a slightly different approach.
 - The development of approaches in each region is at varying stages of maturity and all recognize the need to progress further in being able to evaluate change and trade off risk.
 - Not all regions had a structured documented process. Scotland were able to provide the most comprehensive process and policy documents.
 - Each region has goals to build competence and capability, but no region demonstrated a fully coherent plan with clear milestones to achieve the intended end state.
 - Tools and systems are used differently across regions, highlighting opportunities for knowledge sharing and adoption of best practice.
 - There is variation in structured trade-off approaches, alignment to strategic objectives, stakeholder engagement, and change governance, resulting in differing levels of transparency, accountability, and consistency.
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Recommendations

1. Introduce structured trade-off frameworks in all regions by 2027, ensuring decisions are guided by clear criteria, aligned with strategic objectives and policy, supported by documented rationale, and underpinned by minimum standards for stakeholder engagement and governance.
2. Implement a comprehensive, strategically aligned, risk-informed, and tool-supported prioritisation framework in each region by 2027 to support support current control period challenges and FP1 planning.

Regional approaches have made a start in developing prioritisation and trade-offs processes, providing a foundation to build on. However, differences between regions limit direct comparability and create variability in decision-making maturity. For FP1 planning, regions are expected to converge towards a consistent minimum level of maturity, with frameworks that are system-supported, cross-asset, and fully documented and implemented. Implementing these improvement will also support the management of changes to the renewals plan during the remainder of the CP7.

1. Introduction

Purpose

- 1.1 This targeted assurance review was carried out by the Office of Rail and Road (ORR) to understand how Network Rail prioritised renewals workbank in CP7 and how it made trade-offs when changes to the plan were required.

Scope

- 1.2 The core focus of the review was on trade-off decision-making — specifically, how Network Rail Regions assessed competing priorities, allocated resources, and adjusted their delivery plans when constraints or new pressures arose. The review also examined the governance and change control processes used to manage these decisions, and whether they were applied transparently and consistently.
- 1.3 The review explored:
- The methods used to prioritise renewals when establishing the CP7 baseline.
 - The trade-off approaches applied during changes to the plan.

As part of this review, we did not do a detailed review of financial, safety or other CP7 outcomes and, therefore, regardless of our observations on specific focus areas, Network Rail needs to comply with its relevant obligations.

Approach

- 1.4 The TAR was conducted over a 12-month period and incorporated interviews and discussions with representatives from all Network Rail regions. For North West & Central, the review included meetings with route teams, as this region was more devolved; findings for NWC are therefore based on this route. The approach aimed to capture both formal processes and the practical implementation of trade-off decision-making across regions. Interviewees included those in oversight roles for planning and few asset discipline leads. Since the review was undertaken over an extended period, some regions interviewed earlier may have made further progress, which may not be fully reflected here, but they should be able to demonstrate against the recommendations.

2. Findings

Baseline Workbank Prioritisation

- 2.1 The baseline CP7 workbank was prioritised using a market-led approach across Network Rail regions, through the emphasis varied. Regions aimed to balance asset risk, business value, and deliverability to align with stakeholder needs and HLOS outcomes. While the overarching goal was consistent, regions employed different frameworks, tools, and stakeholder engagement processes to define priorities, reflecting their market demands and operational contexts.
- 2.2 Our assessment of Network Rail regions' prioritisation approaches is guided by the following good practice principles:
- **Strategic alignment** – prioritises interventions that support strategic objectives and deliver strategic value.
 - **Risk-informed prioritisation** – targets investment where it can most effectively reduce safety, performance and resilience risks, aligning with HLOS requirements.
 - **Structured framework and tools** – to support consistency and transparency in decision-making.
- 2.3 Our findings are summarised in the table below.

Table: Assessment of Network Rail Regions' CP7 Workbank Prioritisation Approaches

Region	Strategic Alignment	Risk-Informed Prioritisation	Structured Frameworks and Tools
Eastern	Medium: Uses Value of Service framework, focusing on high-value, high-use lines.	Medium: Clear risk principles via Value of Service, targeting high-risk assets.	RAMP tool informs data-driven prioritisation and optimisation.
Southern	Medium: Prioritises revenue impact beyond minimum safety, aligning with revenue goals.	Medium: Focuses on revenue over traditional asset risk; safety balanced.	SMART planning tool supports structured, evidence-based decisions.
North West & Central	Medium: Integrates regional planning with route engagement for cohesive strategy with operational delivery	Medium: Implicit risk-based approach using local asset knowledge.	Limited mention of formal tools; relies on engagement and knowledge.
Wales & Western	Medium: Implied via deliverability metrics and route accountability; lacks explicit framework.	Medium: Strong risk foundation with Asset Remaining Life (ARL) and Common Consequence Tool (CCT).	Excellent use of ARL, CCT, and deliverability metrics for data-rich approach.
Scotland	High: Aligns with national policy, Transport Scotland, and strategic corridors.	Low: Policy and market-led focus over risk as a central theme.	Asset policy guidance and market-led frameworks; tools unspecified.

Note: The benchmark terms 'low / medium / high' are used in a relative sense between regions, corresponding to minimum acceptable, adequate, and effective levels of maturity.

Observations:

The stability of regional renewals plans is closely linked to how far prioritisation frameworks integrate risk evidence, strategic alignment and transparent decision-making.

While funding constraints remain a key driver of change in some regions, structured approaches—where priorities are clearly informed, such as in Eastern or Wales & Western, or where priorities are anchored by long-term policy direction, as in Scotland—tended to result in plans that were more stable under changing conditions. By contrast, regions with less structured or more engagement-driven models (North West & Central and Southern) may experience increased volatility when funding shifts occur.

Stability can therefore be seen as an emergent outcome of prioritisation maturity: the more consistently regions apply structured, risk-informed, and strategically aligned frameworks, the more confidently investment choices could be adjusted without undermining core objectives, and the clearer the rationale for trade-offs to stakeholders.

A robust prioritisation approach—aligned with ISO 55001 Clause 6 (Planning)—can enhance consistency and resilience of renewal plans, particularly in face of funding pressures.

Expected level:

Network Rail regions should establish a comprehensive prioritisation framework by 2027 to support current control period challenges and for FP1 planning. These frameworks should be strategically aligned, risk-informed, and supported by appropriate tools.

Network Rail regions already recognise the need for such frameworks and have been exploring approaches through regional initiatives and cross-region discussions. Where current approaches fall short, regions should implement a timebound plan to make targeted improvements to strengthen their prioritisation frameworks.

Managing Changes to the Workbank

- 2.4 Our assessment of Network Rail regions' trade-off approaches for making changes to the plan are guided by the following good practice principles:
- **Structured Trade-off Analysis** – *Employs a structured framework to effectively evaluate options and their potential impacts, ensuring decision are based on a clear understanding of benefits and drawbacks.*
 - **Strategic Alignment**– *Verify that proposed changes remain consistent with the overall strategic objective and intended outcomes of the baseline plan.*
 - **Appropriate Stakeholder Involvement** – *Involve relevant stakeholders to gather diverse perspectives, understand potential impacts, and foster transparency in the decision-making process.*
 - **Clear Change Governance** – *Maintain well-defined oversight, accountability, and escalation processes, supported by a clear and documented approach for approving, recording, and monitoring changes to the plan.*
- 2.5 Assessment of Network Rail Regions' Approaches to Managing Changes to CP7 Workbank are provided in the tables below:

	Eastern	Southern	North-West & Central	Scotland	Wales & Western
Structured Trade-off Framework	Approach: People-led, supported by community of practice. Scope: Route-based trade-offs within/ between asset disciplines. Techniques: Multi-criteria decision-analysis (VoS metrics). Limitation: Lack of alignment between bottom-up route-level decisions and top-town decision analysis.	Approach: People-led; subjective decisions. Scope: Route-based trade-offs within asset disciplines. Techniques: Risk analysis within asset group but lacks defined trade-off capability. Limitation: The current SMART tool is less matured to support decision analysis on inter-asset basis.	Approach: People-led; devolved route level consensus. Scope: Route-based trade-offs within/ between asset disciplines. Techniques: SWOT process supported by AWS workbank and ORAM. But lacks defined trade-off capability. Limitation: Lack of multi-criteria analysis tool.	Approach: People and system. Scope: Trade-offs within/ between asset disciplines. Techniques: Trade-off supported by risk analysis (CRAM) and value framework. Limitation: NA	Approach: People-led; regional and route collaborative decision making (engineering judgement), subjective. Scope: Trade-offs within/ between asset disciplines. Techniques: Uses the CCT and Asset Risk Level to assess safety and deliverability. However, there is no defined method for trade-off analysis. Work is underway to develop a prioritisation tool. Limitation: Current tool lacks ability to compare options.

Observations: The reviews show significant variation in how regions approach trade-offs within and between asset disciplines. Techniques range from multi-criteria decision analysis in Eastern to basic risk analysis elsewhere, with several regions lacking defined trade-off methodologies. Subjectivity in decision-making remains high, and alignment between bottom-up route-level decisions and top-down analysis is limited.

Among the regions, Scotland demonstrates the most comprehensive approach, combining a trade-off process with structured risk analysis (CRAM) and a value framework, indicating stronger integration of objective methods.

Overall, the current state highlights a lack of a consistent, network-wide structured trade-off framework, resulting in varied decision-making maturity and limited ability to objectively compare options across regions.

Expected level: *Regions are expected to adopt a balanced approach to trade-off decision-making that combined data-driven tools with people led-judgement. Formal trade-off frameworks, including ranking criteria and multi-criteria approaches, should be used to guide decisions consistently.*

While regions may tailor their methods to local needs, greater use of structured techniques — such as multi-criteria analysis or value frameworks — can help reduce subjectivity and improve transparency. Sharing good practices, like Scotland's integration of risk and value, can support capability building and enable more consistent, evidence-based decision-making across the network.

	Eastern	Southern	North-West & Central	Scotland	Wales & Western
Alignment to Strategic Objectives	Balances trade-offs among multiple value metrics.	Focuses on balancing asset risk and cost. Allows partial alignment with business requirements.	Balances safety, performance & cost, with limited consideration for sustainability and service quality. Supports alignment with business requirements and outcomes.	Balances safety, STPM, climate resilience, sustainability, asset health; managing short-term risks against long-term asset life. Supports alignment with business requirements and outcomes.	Balances safety, performance, service quality, sustainability; secures weather resilience needs; future tools expected to incorporate train performance.

Observations: There is variation across regions in how trade-off decisions are evaluated when changes are made to the renewals workbank. While some regions demonstrate a clear line of sight between change decisions and the intended outcomes of their plans, others take a more tactical approach, focusing on individual drivers such as cost or asset risk. In cases where funding is moved between asset types, or where renewals are traded with operational activities due to cost pressures or access constraints, the rationale is not always supported by a balanced assessment of wider implications, such as asset sustainability, resilience and stakeholder confidence.

Expected level: *Regions should formalise alignment criteria and ensure that every trade-off explicitly maps to strategic objectives, intended outcomes and relevant asset policy. Trade-off decisions should move beyond narrow considerations of short-term needs or deliverability, while still accounting for immediate risks, by incorporating broader “value at stake” metrics (such as reliability, resilience, or stakeholder considerations).*

This approach will enable a holistic evaluation, particularly where trade-offs involve shifting funding between assets, deferring interventions, or substituting renewals with operational activities

	Eastern	Southern	North-West & Central	Scotland	Wales & Western
Stakeholder Involvement	Engineering teams and Infrastructure delivery team inputs technical and delivery knowledge.	Engineering teams and Infrastructure delivery team inputs technical and delivery knowledge.	Greater autonomy for routes. Route Infrastructure Engineers, Regional RAMs involved in decision-making.	Engineering teams and Infrastructure delivery team inputs technical and delivery knowledge.	Engineering teams and Infrastructure delivery team inputs technical and delivery knowledge.
	DEAM team acts in a consultancy role for asset mgmt. advice to routes.	Route-level reviews led by Infrastructure director; RAMs, HoDs, IM delivery.	Support and assurance from regional team.	In addition to Technical Authority, it also engages Transport Scotland regarding proposed changes.	Upcoming re-organisation for route-level decisions.
	A regional planning role provides oversight and co-ordination.	Asset system integration manager role provides oversight role for planning.	Principal AM Planning Manager provides oversight and co-ordination with regional and national team.	Regional Executive, AM Director oversee;	Business Planning and strategy manager provides oversight.

Observations: Because of the devolved operating model, and further devolution to route level in some regions, differences in stakeholder involvement are to be expected. The level of structured oversight and cross-disciplinary engagement varies, with some regions demonstrating clearer coordination and assurance than others.

Engagement with wider stakeholders beyond engineering (e.g., weather resilience) is generally unclear or limited. This lack of clarity reduces visibility into how wider implications are taken into account. Oversight roles could be made more visible and identifiable, ensuring they effectively support a holistic view and are recognised by stakeholders. These roles can act as clear points of contact to explain changes, coordinate trade-off evaluations, and provide assurance that decisions remain aligned with strategic objectives.

Recommendation: *Regions and/or routes should clearly define and document minimum stakeholder engagement standards for all change decisions. Evaluations must consistently involve the relevant internal and external stakeholders, particularly where decisions affect outcomes. Greater clarity is also needed on how wider stakeholders, beyond engineering, are engaged in the process. Oversight roles should be clearly defined to support holistic prioritisation and trade-offs.*

	Eastern	Southern	North-West & Central	Scotland	Wales & Western
Change Governance	Process – Regional assurance & RF process.	Process – Regional assurance & RF process.	Process - Regional assurance & RF process. Regional assurance is designed to spot any issues with route level changes - agile with clear ownership, feedback loops.	Process – Has a structured assurance process with executive oversight; developing risk bow-ties; RF process.	Process –Regional engineering assurance planned post-reorganisation; RF process.
	No process documentation or RACI provided.	No process documentation or RACI provided.	No process documentation or RACI provided.	Process documentation – Has a clear, detailed documentation of change process, includes RACI.	No process documentation or RACI provided.

Observations: All regions reported having assurance or change processes, but in most cases these were not supported by documented evidence such as process maps. This creates uncertainty over how roles, responsibilities, and escalation routes are applied in practice. Scotland was the only region to provide a clearly documented process. The variation in maturity across regions means there is limited consistency and transparency in how changes are governed, challenged, and monitored. Note: This refers specifically for change processes for the renewals work plan, not other types such as financial changes

Expected level: *Regions should strengthen change governance by formalising and documenting processes, including roles, responsibilities, and escalation pathways (e.g. RACIs). This should be supported by clear oversight arrangements and assurance checkpoints to ensure accountability and consistent decision-making.*

3. Conclusion

Overview of Findings

- 3.1 This review assessed how Network Rail regions prioritise their renewals workbank and manage trade-offs when changes are required, including the frameworks, tools, methodologies, and criteria in place, and their alignment with good practice principles. Our review finds that each region demonstrates alignment to its own context and approaches for prioritisation and trade-offs, but the robustness of these approaches in supporting comprehensive trade-offs varies across regions.
- 3.2 Overall, regions have established prioritisation and trade-off approaches, but further work is needed to develop comprehensive approaches that are consistent, transparent, and aligned with good practice.
- 3.3 The review identified several common gaps across regions, including limited prioritisation framework, subjective trade-offs and ranking criteria, near-term delivery focus, incomplete stakeholder engagement, and change governance processes that are not fully formalised. The table below summarises recommendations to address these gaps and strengthen regional capabilities.

Summary of Recommendations

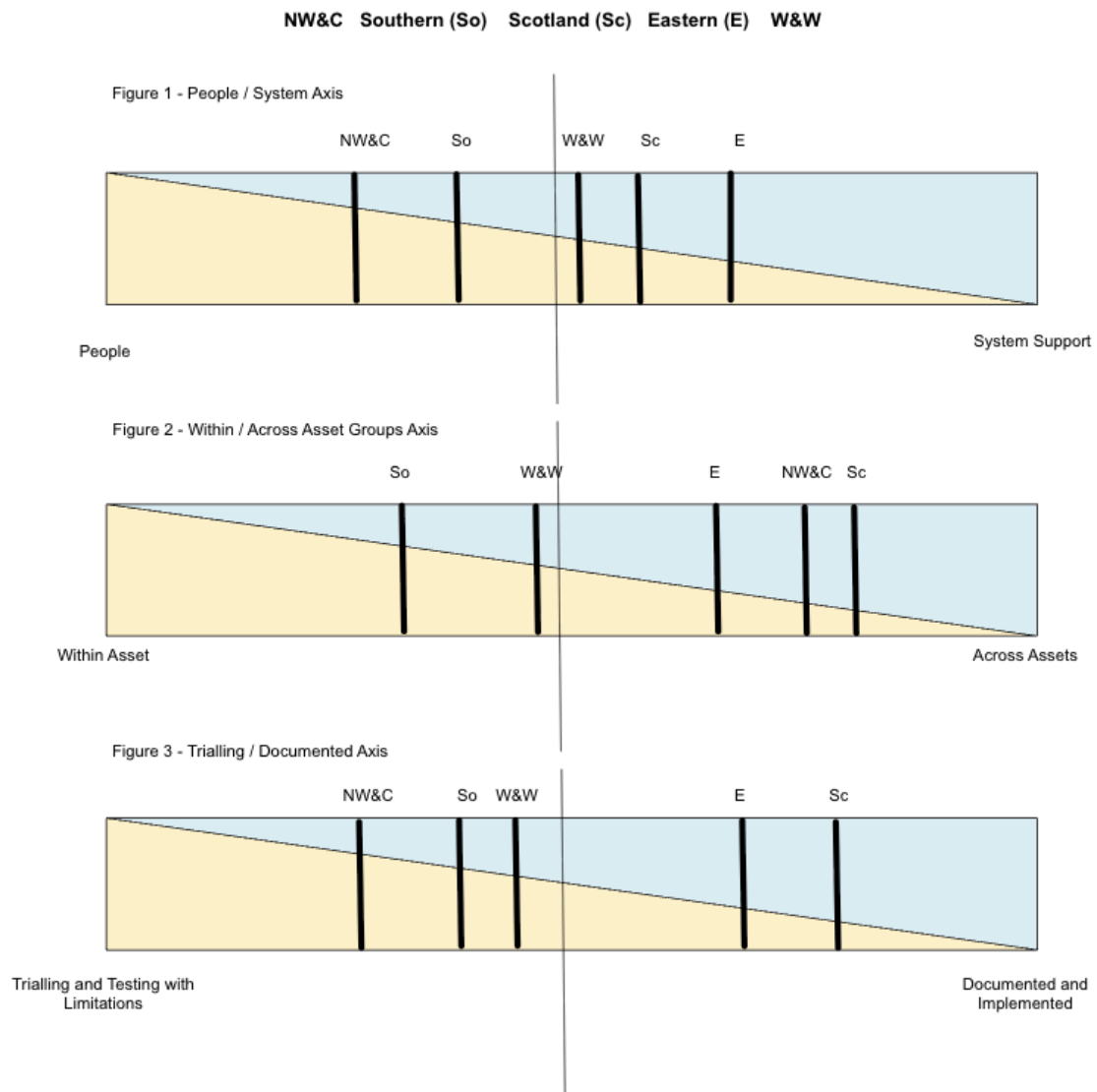
- 3.4 The recommendations below are intended to address identified gaps and strengthen regional prioritisation and trade-off capabilities for managing change. The findings chapter provides more detailed guidance on the expected levels.
- 3.5 Implement timebound plans to address current gaps, with each region having a comprehensive framework in place **by end of 2027** to support current control period challenges and FP1 planning.

Capability Area	Recommendations
Prioritisation	Implement a comprehensive, strategically aligned, risk-informed prioritisation framework, underpinned by appropriate tools.
Trade-Off Decision-Making	Introduce structured trade-off frameworks in all regions by 2027, ensuring decisions are guided by clear criteria, aligned with strategic objectives and policy, supported by documented rationale, and underpinned by minimum standards for stakeholder engagement and governance.

Direction for FP1

- 3.6 Region-led renewal planning has fostered creative approaches in workbank prioritisation..
- 3.7 The current diversity of regional approaches makes direct comparison challenging. In fact, this could only ever be done in the context of each region's operating context. To provide a sense of relative positioning, we have focused on three key dimensions:
- **Integration of systems and expert knowledge** – the extent to which trade-off decisions are enabled by system support versus primarily reliant on expert judgement and/or local asset knowledge (Figure 1).
 - **Scope of trade-offs** – whether prioritisation focuses mainly within asset groups or extends to balancing across multiple asset groups (Figure 2).
 - **Stage of process development** – ranging from processes that are still being trialed and tested to those that are fully documented and implemented (Figure 3).
- 3.8 Engagement with regions highlighted that knowledge sharing through Communities of Practice is already well established. These networks should be further leveraged, with the findings and recommendations from this report forming an integral part of preparations for FP1 planning.
- 3.9 For FP1 planning, our expectation is that all regions converge toward a consistent minimum standard for prioritisation framework, which should be:
- **System supported** – enabling decisions that are transparent and replicable
 - **Cross-asset in scope** – balancing trade-offs across different investment areas
 - **Documented and implemented** – sufficiently tested, embedded, and available to guide planning decisions
- 3.10 While regions may follow different pathways, the expected outcome is a set of comprehensive, risk-informed, and strategically aligned prioritisation frameworks supported by appropriate tools.
- 3.11 Figures 1- 3 illustrate the relative position of each region across the three assessment dimensions:
- **People ↔ System Support**

- **Within Asset ↔ Across Assets**
- **Trailing/Testing ↔ Documented/Implemented**



- 3.12 In conclusion, the review of Network Rail regions' prioritisation and trade-off approaches reveals a diverse landscape for managing renewal workbanks.
- 3.13 By implementing the timebound recommendations and leveraging existing Communities of Practice, all regions can converge toward a consistent, risk-informed, and strategically aligned framework by the end of 2027. This will ensure transparent, replicable, and cross-asset prioritisation, establishing a solid foundation for efficient FP1 planning and long-term asset management.

- 3.14 However, until this maturity is reached, regions may continue to face challenges in decision-making during CP7. We will continue to monitor these through our business-as-usual regulation.



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