Annual Assessment of Network Rail's stakeholder engagement April 2023 to March 2024

Executive summary

This report focuses on the final year of Control Period 6 (CP6), which came to an end in March 2024. It also marks the end of the first control period that the stakeholder engagement requirement was in Network Rail's licence. Throughout this period, we have seen a positive outcome, with Network Rail placing more emphasis and focus on its stakeholders and demonstrating a self-reflective approach in an effort to improve.

The landscape may have changed over the past five years but the fundamental principles of Network Rail engaging with its stakeholders has become even more important as a result. Throughout this period Network Rail's performance has been broadly strong, but material opportunities for improvement remain. Network Rail needs to do more to demonstrate that it has matured its approach and embedded high quality stakeholder engagement processes across its organisation.

Network Rail has delivered its best overall year-on-year improvement in stakeholder engagement. It has reflected and responded to last year's report, recommendations and feedback from the workshop we held with its business units. We are pleased that it has demonstrated it can deliver positive change and improvements, with some business units being able to consistently demonstrate high-quality engagement and others making significant improvements.

Network Rail now needs to demonstrate it has consistently high-quality stakeholder engagement that is embedded across the organisation. We have seen instances of best practice being shared

this year and we encourage Network Rail and individual business units to continue this approach.

As with last year, we have focused on the relative comparative performance of Network Rail's business units. This does not necessarily mean that the lowest ranked business units are poor performing, or their overall position denotes a reduction in stakeholder engagement performance, but instead reflects each unit's performance relative to the others.

When comparing business units, we found that Southern region continues to be the best performing; Eastern, Wales & Western and Scotland were mixed performers with strengths; while North West & Central and the System Operator were – comparatively – the weakest within the scoring of the assessment and criteria used. Network Rail Scotland demonstrated the biggest year-on-year improvement. Table 1 below sets out our summary findings.

Table 1: ORR's comparative ratings of each business unit

Business unit	ORR assessment
Southern	Strongest performance
Eastern	Strong with areas for improvement
Scotland	Strong with areas for improvement
Wales & Western	Strong with areas for improvement
North West & Central	Mixed performance with areas for significant improvement
System Operator	Mixed performance with areas for significant improvement

Our year 5 recommendations are aimed at ensuring consistently high-quality stakeholder engagement is embedded across Network Rail and that it effectively coordinates and monitors quality of its engagement. Network Rail's overall governance of its stakeholder engagement, particularly for stakeholders engaging with more than one region, remains an area of concern.

In control period 7 (CP7) we are challenging Network Rail to address this and have requested further detail on its governance and how it assures itself, its stakeholders and ORR on the effectiveness of its engagement. We have also made recommendations to each of the business units, including how to evidence and articulate the impact of their stakeholder engagement.

Our CP6 approach has provided a good baseline understanding of Network Rail's stakeholder engagement and has supported improvements in its approach. This enables our work across CP7 to be more streamlined by focusing efforts on the issues identified, including increasing our focus on Network Rail's governance and assurance, a more streamlined approach to monitoring and targeted deep-dive reviews of specific issues, if required.

In the event that substantive issues arise with Network Rail's stakeholder engagement in CP7, we will work with it to understand and address the causes and will highlight to Network Rail areas for improvement.

- → Next 1. Introduction

1. Introduction

This report sets out ORR's assessment of the quality of Network Rail's stakeholder engagement for the fifth year of Control Period 6 (CP6, April 2023 to March 2024), referred to as 'year 5' throughout this document.

Our assessment is based on the requirements placed upon Network Rail in its network licence, in particular the extent to which it meets the four overarching principles of good stakeholder engagement specified in the Stakeholder Engagement Duty.

Network Rail is one organisation, and the requirements of the licence condition affect all parts of its business. As well as assessing Network Rail's overall performance, we also assess the performance of Network Rail's regions and its System Operator function, referred to as its 'business units' in this document. An overview of each business unit, including their function, geographic extent and operators can be found in our most recent Annual assessment of Network

Rail.

This year's stakeholder engagement assessment builds on the previous four annual reports in CP6.

Purpose of report

This report provides a proportionate, evidence-based assessment of Network Rail's performance. It is focused on encouraging Network Rail to conduct and promote good quality stakeholder engagement across its organisation, incentivising continuous improvements each year by:

- assessing Network Rail's understanding of the quality of its stakeholder engagement activity, and its processes and policies; and
- reporting on Network Rail's performance, providing reputational and comparative regulation while promoting and protecting stakeholder's interests.

Approach and methodology

Our year 5 assessment and conclusions were based on a range of evidence, including:

- Network Rail's delivery plans for 2024-2029 (Control Period 7 or CP7);
- stakeholder responses to our PR23 Draft Determination consultation;
- Network Rail business units' self-assessment submissions; and
- insight from our routine monitoring of Network Rail.

We did not conduct an ORR stakeholder survey this year owing to previous data limitations and our work with Network Rail to establish how they are currently measuring stakeholder satisfaction, in order to remove duplication.

A subgroup of our Consumer Expert Panel also reviewed the business units' self-assessments and their insight has contributed to our analysis. Our assessment has taken a holistic view across all the evidence, recognising that each has advantages and limitations.

In the absence of any other indication, we must take the quality of evidence provided in the delivery plans and self-assessment submissions as indicative of the quality of stakeholder engagement it relates to. For example, where a business unit did not provide evidence on governance arrangements, we have assumed that they are lacking. We have not referenced every

instance of good practice and instead have highlighted a range of examples.

Principles of stakeholder engagement

We have assessed Network Rail against the overarching principles of stakeholder engagement specified in its licence as including:

1. **Inclusive:** engagement seeks to involve all relevant stakeholders in a fair and proportionate manner;
2. **Transparent**: engagement provides sufficient information to stakeholders to enable proper engagement; and they can demonstrate how they have engaged with their stakeholders and how this has influenced their actions and delivery;
3. **Well-governed:** engagement is underpinned by effective processes and governance arrangements that encourage meaningful engagement; and
4. **Effective:** engagement supports the delivery of a safer, more efficient and better used rail network, including by ensuring that stakeholders' views are duly taken into account.

Definition of stakeholder

Our assessment focuses on engagement with external stakeholders, reflecting the definition of 'stakeholder' in the licence. However, effective two-way internal engagement, particularly between the System Operator (SO) and the regions, is required for good stakeholder engagement. We considered that evidence of this internal engagement does not in itself contribute to meeting the stakeholder engagement licence condition; for this requirement to be met the business units must demonstrate how this benefited engagement with external stakeholders.

Our guidance to the business units for year 5 self-assessments categorised external stakeholders into the following groups:

- all operators (including passenger, freight, open access, heritage, charter and prospective operators);
- passengers, passenger bodies and rail communities;
- elected representatives / public affairs;
- funders / regulator bodies;
- supply chain partners; and

- lineside neighbours, currently defined by Network Rail as anyone who lives or runs a business within 500 metres of a railway.

Sources of evidence

Stakeholder responses to ORR's PR23 draft determination

We published our draft determination for PR23 in June 2023. We received 31 responses in which stakeholders raised mixed views on Network Rail's stakeholder engagement. Nine responses raised concerns with the consistency of stakeholder engagement, particularly when engaging across multiple regions and the System Operator.

Network Rail Delivery Plans

In March 2024, Network Rail published its CP7 delivery plans. It undertook stakeholder engagement during the development of these plans, which we reviewed and provided challenge on the stakeholder engagement approach where necessary. Our overarching assessment of Network Rail's delivery plan is that it is consistent with the priority outcomes and budgets set through the periodic review. More on our assessment can be found in our March 2024 letter to Network Rail.

Self-assessment submissions

As in previous years, each of Network Rail's regions (Eastern, North West & Central, Southern, Scotland and Wales and Western) plus the SO were required to submit a self-assessment reflecting on its stakeholder engagement activities during year 5 of CP6. The self-assessment is a particularly important piece of evidence as it gives an opportunity for the business unit to outline the breadth of its stakeholder engagement activities, processes and outcomes.

The submissions were based on ORR guidance. This stressed that a high-quality self-assessment would be impact-focused, targeted, and comparable across business units. We stated business units must include detail on:

- **Business planning:** such as how both annual business planning and longer-term processes (including CP7) have been developed using stakeholder input.
- **Day-to-day business performance issues:** how engagement has identified and addressed day to day issues, including shaping decisions.

- **Approach to obtaining assurance of stakeholder views:** how business units assess stakeholder satisfaction (e.g. surveys, focus groups)
- **Consistent culture of stakeholder engagement:** provide evidence of how Network Rail has built and maintained a culture of stakeholder engagement.

Structure of this report

First, we summarise our key findings on Network Rail's stakeholder engagement at an organisational level, including making recommendations for improvement which apply across the entire business. We then present our analysis of the individual business units, considering the evidence provided and including specific recommendations to business units.

Next steps

We expect Network Rail and its business units to implement all of the recommendations made in this report, which we are summarised in Annex A.

Our assessments in CP6 have established a clear baseline of how Network Rail's business units are performing on stakeholder engagement. In our PR23 Final Determination, we stated we would work with Network Rail to remove the duplication of any Network Rail and ORR stakeholder surveys and to agree the form and content of its stakeholder engagement assessment for CP7. We are looking at opportunities to simplify, streamline and increase impact by:

- increasing our focus on Network Rail's governance and assurance;
- ensuring a streamlined approach to monitoring; and
- undertaking targeted deep-dive reviews of specific issues, if required.

We are currently waiting for Network Rail to provide us:

- detail on its overarching governance and coordination processes for stakeholder engagement;
- arrangements for how information on stakeholder engagement activity is reported across Network Rail, including sharing good practice and identifying issues;
- the status of the existing Stakeholder Relations Code of Practice (how it is actually used and whether there are any plans to revise it); and
- pre-existing proxy measures, such as those referenced in self-assessment submissions.

This will enable us to see whether new data sources need to be developed.

In the event that specific issues relating to Network Rail's stakeholder engagement arise during CP7, we will work with Network Rail to understand and address the causes. Recent examples of this have included identification of weaknesses in the stakeholder engagement element of the now withdrawn Better Timetables for Passengers & Freight (BTPF) programme, and the development of a freight growth plan in consultation with its stakeholders.

- ← Previous Annual Assessment of Network Rail's stakeholder engagement April 2023 to March 2024
- → Next 2. Key findings

2. Key findings

This chapter sets out our main findings and recommendations and also summarises specific areas of Network Rail's engagement, such as its overarching governance and assurance processes.

Overview and recommendations

Overall, Network Rail has demonstrated that it can deliver positive change and improvements. It has reflected and responded to last year's report, recommendations and feedback from the workshop we held with its business units. Network Rail now needs to maintain the level of improvement shown this year and demonstrate it has consistently high-quality stakeholder engagement that is embedded across the organisation.

While we are pleased with the improvement that Network Rail has demonstrated this year, we would have expected to have seen a greater acceleration in improvement earlier in the control period. Network Rail is a highly capable operator, and we would expect it to be able to deliver a well-developed and effective stakeholder engagement process.

We expect Network Rail to have a stakeholder engagement framework that enables it to engage effectively and consistently across all stakeholders. We have seen evidence of well-governed and effective stakeholder engagement approaches to interacting with particular groups (e.g. elected officials), but these are not widespread. We want to see Network Rail demonstrating it has robust processes and standards which enable this type of approach consistently across all types of stakeholders.

There are positive signs in this year's assessments that business units are seeking to improve their approach. We would strongly encourage Network Rail to take advantage of the ability to learn from its different business units that are already undertaking effective and innovative engagement approaches to drive up standards across the organisation. There is still more to do, and it is important that it remains continually reflective and systematically demonstrates how stakeholder engagement has impacted its decisions, while providing a consistent level of quality in its engagement across all stakeholder groups.

Consumer Expert Panel

There also needs to be consistency of approach between Network Rail's business units – to ensure best practice is adopted and that stakeholders that engage with more than one region receive a consistently good standard of interaction. Network Rail's overall governance of its stakeholder engagement remains an area of concern. We are challenging Network Rail to address this and have requested further detail on how it assures itself, its stakeholders and ORR on the processes that it has in place.

Our findings by business unit are set out in the following chapters and are summarised in Table 2.1, with more detail on recommendations provided in Annex A.

Across its business, Network Rail should ensure that it:

- **Systematically obtains, understands, and responds to stakeholder views in a consistently high-quality manner, adopting recognised best practice.** We will engage with Network Rail about whether it signing up to a stakeholder engagement standard might be useful and reduce the need for ongoing ORR intervention in this area.
- **Demonstrates consistently high-quality stakeholder engagement is embedded across its business.** Network Rail needs to better demonstrate how it has fostered a culture of continuous improvement and how it embeds best practice, such as crisis communication management in storm events, throughout the organisation.
- **Replicate areas of mature and well-governed stakeholder engagement across all stakeholder groups.** We have seen evidence that there are mature approaches to Network Rail's stakeholder engagement in some areas and with certain groups (e.g. elected officials). We want to see this being adopted and maintained across all stakeholder groups.
- **Adopts consistent, comparable, quantitative metrics to monitor stakeholder satisfaction across business units.** In our PR23 policy framework consultation, Network Rail provided us assurance that this is already the case, and we are reviewing existing measures to see if we

need to establish potential future measures in this area.

- **Consistently monitors the impact of its stakeholder engagement activity, using this to improve and refine its processes.** We have seen pockets of improvement from last year, but this has not been consistent across the organisation.
- **Ensures that its regions can demonstrate that they are working constructively with the System Operator to undertake engagement with their freight customers.** While we recognise the work done by the SO on engagement with external freight stakeholders, we do expect other regions to support the work of the SO with their own freight customer engagement activities. Each region will work toward a target for growth in the freight sector for the first time across CP7.

Throughout the PR23 process and into CP7, we have identified concerns with Network Rail's governance arrangements, particularly its ability to coordinate stakeholder activity, and share best practice across its organisation.

A significant proportion of Network Rail's stakeholders engage with more than one business unit (e.g. freight operators, national and larger passenger operators, supply chain). It is therefore important that it can demonstrate how its overall strategy on stakeholder engagement is systematic and coordinated to enable all its customers and stakeholders to experience high-quality engagement across its activities and business units, as per requirements of the Stakeholder Engagement Duty.

In CP7 we are challenging Network Rail to address this and have requested further detail on how it assures itself, its stakeholders and ORR on the effectiveness of the engagement processes that it has in place. This includes:

- Network Rail's overarching governance processes for stakeholder engagement, and how it assures its Executive and Board that it is meeting its licence requirement and delivering high quality stakeholder engagement for all stakeholders;
- what processes are in place to ensure that those stakeholders engaging across multiple business units have a well-governed and efficient experience;
- what activity Network Rail has underway to make improvements in how it governs and assures stakeholder engagement at a central level given its devolved structure, to ensure a consistent level of quality and experience;
- arrangements for how information on stakeholder engagement activity is reported, analysed and disseminated across Network Rail, including sharing good practice and

identifying issues.

Relative performance ratings

Table 1 sets out our comparative assessment across the business units' performance against the principles of stakeholder engagement across all the evidence sources considered. Our rationale for these assessments can be found in the chapters on each business unit.

Our comparative assessment does not signify good or poor-quality stakeholder engagement, but instead reflects each unit's performance relative to the others. The year-on-year ranking denotes overall position and does not necessarily demonstrate a reduction in stakeholder engagement performance in itself. In some categories business units performed equally well, while in others there were clear differences.

Table 1: ORR's comparative ratings of each business unit

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Business unit	ORR assessment
System Operator	Mixed performance with areas for significant improvement

What the evidence showed us

- **Self-assessments:** Network Rail submissions generally met our guidance and covered the key areas of focus and stakeholder groups that we would expect. However, some submissions were less clearly structured than others and missed elements of activity we requested evidence on. There was a range of positive examples, demonstrating evidence that business units are undertaking meaningful engagement with their stakeholders.

- **Responses to PR23 draft determination:** Respondents to our draft determination had mixed views on the quality and consistency of Network Rail's stakeholder engagement. Some highlighted positives, such as the Network Rail freight team within the System Operator gathering stakeholder views at an early stage. However, nine stakeholders raised issues with the varying levels of quality depending on which region was leading the engagement. In our final determination we said that the best engagement was where regions successfully fed back to their stakeholders how their input influenced their plans. Despite the compressed timescales within which Network Rail developed its plans, regions largely demonstrated a structured approach to stakeholder engagement.

- **Network Rail CP7 delivery plans:** Overall, there was an adequate demonstration of how business units engaged with stakeholders in the development of plans published in April 2024. This was an improvement on what we saw in the Strategic Business Plans (SBPs) submitted in 2023, albeit some of the material submitted appeared to date from the SPB submissions. The plans showed evidence that some engagement had taken place after the PR23 final determination was published. Most of this appeared to focus on informing stakeholders of the plan, as opposed to gathering feedback.

Our findings

We have seen an overall year-on-year improvement in the evidence that Network Rail has provided on its stakeholder engagement. While this year we have seen an improvement, this has not always been the case across the control period. Network Rail has increased its emphasis on stakeholder engagement through the Stakeholder Engagement Duty and has become more self-reflective on its actions. It now needs to maintain the level of improvement shown this year and demonstrate it has consistently high-quality stakeholder engagement that is embedded across the organisation.

In November 2023, we held a workshop with the Network Rail business units which are in scope of this assessment. The workshop was designed to highlight and share good practice between business units, discuss and clarify expectations around the stakeholder engagement duty and how this is evidenced and share learnings from an energy network operator. It was positive to see the challenges and concerns raised at the workshop addressed in submissions this year.

In last year's assessment we made a number of recommendations for Network Rail as an organisation as well as the business unit specific recommendations. Table 2 below outlines our assessment of how Network Rail has performed against them.

Table 2: ORR assessment of Network Rail's year 4 recommendations

Recommendation	Result	ORR commentary
Foster a culture of continuous improvement in stakeholder engagement, consistently looking to improve processes to benefit stakeholders	Partial	Business units have shown a year-on-year improvement on their demonstration of stakeholder engagement activities. However, across the control period we have not seen the level of continuous improvement across all regions, year-to-year, that we would have expected.

Recommendation	Result	ORR commentary
Measure and demonstrate the impact of engagement, as opposed to simply identifying that it took place.	Partial	Some regions and case studies demonstrated quantitative data, which we welcome. This supported the narrative on how the impact of engagement has played into overall decision-making. North West & Central, Scotland and the System Operator could have done this more effectively through the evidence provided.
Effectively share best practice and stakeholder insight between business units. We identified lots of good practice, but fewer examples of how it is shared and embedded across Network Rail to the benefit of stakeholders.	Partial	We saw evidence of sharing information and approaches between regional business units in this year's exercise in isolated examples. We have not seen demonstration that there is any organisational level coordination or facilitation of this. We encourage the continued exchange of information on a regular basis.
Embed genuine transparency of engagement, both by keeping stakeholders informed in an open and candid way.	Partial	Engagement was broadly timely and included sharing of information with stakeholders in advance. However, it is important that Network Rail remains proactive in this area and does not use this as a remedial approach. North West & Central need to improve in this area.

Recommendation	Result	ORR commentary
Demonstrating to stakeholders how their feedback has impacted business decisions, or by explaining to stakeholders how it considered feedback even if it decided not to act on it.	Partial	Evidence of feedback impacting business decisions has been drawn out in isolated case studies, such as Eastern and Southern. This was not systematically demonstrated across all activities and business units.

We also made recommendations in relation to Network Rail's engagement on the Enhancement Delivery Plans (EDP), that it should:

- continue to publish quarterly updates of the England & Wales EDP, making it clearer to stakeholders when new versions are available and where to find them;
- undertake a gap analysis to identify what information is missing in the CP6 EDP and how this information gap should be addressed in CP7; and
- use the EDP as a main reference document when briefing stakeholders on enhancement projects – linking its focus groups, press releases and newsletters to what is in the plan, and ensuring this is reflected in its stakeholder engagement self-assessments.

In our guidance for the self-assessments, we noted that we expected submissions to include reference to EDPs and so we are extremely disappointed not to see any reference or information. The EDPs set out Network Rail's commitments to funders and provides transparency about the status of schemes. It gives visibility of plans to stakeholders, train operators and the public, allowing them to plan their business with a reasonable degree of assurance. We continue to liaise with Network Rail on its EDP outside of the stakeholder engagement assessment and report on Network Rail's delivery of enhancement schemes in our annual assessment of Network Rail.

- ← Previous 1. Introduction
- → Next 3. Eastern

3. Eastern

Summary of performance

Eastern provided a good demonstration of its stakeholder engagement and has responded well to last year's assessment and its recommendations. The region provided evidence of building on last year's assessment and reflected on how to improve their processes. This included several examples of sharing best practice approaches between its routes and partners.

There is a range of best practices examples that have been provided by Eastern, and we encourage other business units to consider how they could apply them to their activities.

Eastern could have provided more information as to how it engages with its freight customers. The region could have also provided more detail of how their stakeholder engagement impacted day-to-day business decisions and outcomes.

Performance by principle of stakeholder engagement

Effective

Eastern provided strong examples of where engagement had been conducted proactively in a timely manner to influence the design of a plan or decision. The engagement was conducted using a range of methodologies and tools including regular meetings, forums, pulse surveys, formal governance groups, working groups, and tailored approaches for different situations.

The region provided examples where its engagement with stakeholders has resulted in identifying the best approach to respond to an issue, including adjusting or deferring plans where necessary. In these instances, there is a clear demonstration that they understood stakeholder feedback and used it to inform business priorities. We would encourage Eastern to ensure this is embedded into all decision-making. While there were instances where the region has followed up on feedback, or used initial feedback to establish ongoing mechanisms, there is less evidence of fully closing the loop in terms of reporting back to stakeholders the outcome of any action or decision.

Eastern has run 'Focus Weeks' to target localised train performance. Lines of route which have

been underperforming are identified, with detailed analysis of train performance on the route carried out and shared with stakeholders. Each Focus Week remains responsive to stakeholder needs and has its own dedicated plan in which feedback, recommendations, actions and improvements are tracked.

Eastern demonstrate a strong sense of understanding the 'point' of stakeholder engagement. This makes the ultimate output better for everyone and the journey to getting to a decision less painful for all.

Consumer Expert Panel

Inclusive

The stakeholder mapping exercise clearly demonstrated that thought had been given to all stakeholder types, including third parties such as emergency services and local taxi operators. This was undertaken at a regional level throughout the CP7 engagement process and has subsequently informed route and regional approaches to engagement. It was encouraging to see that Eastern has measured the success of its engagement, through surveys and maturity models, covering both large and small stakeholder groups.

Eastern's approach to stakeholder engagement has continued to utilise a variety of communication methods. It provided evidence of using both in person and virtual forms of verbal and written communications, approaching the needs of stakeholders in considered and inclusive ways. In order to continually improve, Eastern could place more consideration on how to engage a broader diversity of disengaged stakeholders (e.g. socio-economically disadvantaged groups, rural communities, digitally excluded and non-native speaking individuals).

Transparent

Eastern has embedded transparency within its engagement processes around data sharing, accessibility and good communication. The West Yorkshire Stations Alliance formed of Network Rail, train operating partners and government has collated a single source of shared data between for all stations in the West Yorkshire area. This includes current accessible facilities and planned works, with data to assess footfall, planned works and socio-economic information. Working together, the Alliance has identified £250m for expenditure on stations in West Yorkshire over the next six years.

During the CP7 business planning process, individual, project and regional level workshops were held with relevant stakeholders to explain plans, reflect stakeholder requirements where possible, and ensure alignment with initiatives planned for the control period.

Eastern acknowledged where things have not always been as good as they had hoped. This included their response to Storm Babet in October 2023. It commissioned consultants to review the rail industry response to the storm. The report included 39 recommendations, with East Coast route tracking each recommendation as part of a Storm Babet Action Plan. The recommendations were also shared with Eastern region colleagues to promote system learning from the incident and a chance to identify what opportunities exist to improve the industry's decisions during significant disruption to provide a better passenger experience in the future.

Well-governed

Eastern provided strong evidence relating to its governance processes, there are various examples to demonstrate that there is measured, regular engagement across a range of different stakeholders. Regular polling and research are undertaken to ask range of stakeholders what they think and used to inform future plans.

The region's North & East Route and train operator Northern, took part in the pilot of the Great British Railways Transition Team (GBRTT) Customer Experience Maturity Model (CXMM) to assess current customer experience activity. This provided a detailed assessment of maturity, highlighting key areas for improvement including passenger information and satisfaction. There is a follow up piece of work underway to assess the impacts of business plans on CXMM, identify gaps and to share external best practice.

Good practice from self-assessment submission

School Engagement on Safety (inclusive): Leeds safety week, which was held at Leeds Station in May 2023 saw 600 students attend a collaborative event with Northern, CrossCountry, TPE, LNER, Leeds United FC, BTP, Railway Children, Samaritans and RSSB to highlight the importance of safety by the railway.

Kingsbury Road bridge closure (well-governed, transparent): A bridge in North London needed to be closed at short notice. Eastern's engagement was quick and effective, running site visits, liaising with council teams for media responses and arranging alternative residential accommodation

during particularly noisy periods of the works. After stakeholder feedback, the diversionary route was amended to better serve the local community.

Recommendations

Activity to continue or build on

Eastern should continue to consider how to evidence and articulate the impact of its stakeholder engagement activities.

Eastern should continue to build on the positive examples provided through its 'Focus Weeks', with a priority on consistently reflecting on the lessons learned and taking forward any committed actions.

Areas requiring improvement

The region should consider how to embed stakeholder feedback into its business decision-making processes.

- ← Previous 2. Key findings
- → Next 4. North West & Central

4. North West & Central

Summary of performance

Overall, North West & Central (NW&C) provided a reasonable stakeholder engagement self-assessment, with demonstration of continual reflection and improvement, while building on good practices that have been put in place. NW&C provided very limited evidence in respect to engagement with its freight customers, which we would have expected to see more on.

Owing to the fact that other business units were able to demonstrate an increased level of improvement comparatively to NW&C, the region is ranked as the joint-lowest business unit in year 5. There has been a number of recent changes to the regional structure of NW&C, this has impacted timelines for the regions planned stakeholder engagement refresh.

Ownership of stakeholder relationships has been refocused to the region's three route directors and their senior leaders, as a result of changes to the regional operating model. The region's routes have been made accountable and responsible for the delivery of priorities and stakeholder engagement. While we are cognisant of these changes, we will continue to monitor progress against the timelines provided to us by the region.

Performance by principle of stakeholder engagement

Effective

NW&C shared evidence to demonstrate how existing engagement has been effective over the past year. NW&C worked collaboratively with Northern, a train operator, to design a model to strategically assess the cultural maturity of the partnership so opportunities for closer collaboration could be identified. The region also shares customer scorecards with lead operators to improve passenger experience.

These scorecards are discussed at forums and can act as a shared roadmap, focusing all parties on the same key metrics and areas for collaboration.

There is evidence to suggest that NW&C undertook stakeholder engagement that helped to resolve stakeholder issues. However, these issues may have been avoided with more proactive and early engagement, thereby removing the need for this remedial engagement to take place.

Each route within the region is refreshing and redefining their engagement strategies to be fit for the new control period, and we understand that this will reflect the recommendations and guidance from this and previous ORR stakeholder engagement assessments.

"Clearly some progress has been made but the instinct remains to engage with operational stakeholders such as train operating companies and other delivery networks in a reactive way, rather than broader stakeholders in a strategic or proactive way."

Consumer Expert Panel

Inclusive

North West & Central is making efforts to strengthen stakeholder relationships and in September 2023 the North West route held a successful stakeholder conference, attended by stakeholders from TOCs, FOCs, Community Rail, DfT, Rail North Partnership, Transport for Greater Manchester, and Liverpool City Region. Similar events are being planned for other routes after overwhelmingly positive feedback.

The region was able to demonstrate tailored approaches for the format and delivery of engagement dependent on the audience. This included inclusive engagement tailored for specific groups, including the pan-disability group working on the assisted travel lounge and through the production of the Alliance Collaboration Survey. There is an opportunity for NW&C to undertake more proactive engagement and gain benefits, enabling it to inform business decisions.

Transparent

The region has maintained its "You Said, We Did" initiative to demonstrate commitment to continuous improvement. It is clear that there is a strong feedback loop with lead operators through pulse surveys. This approach could be rolled out across other aspects of its engagement with different groups where evidence of this feedback loop is less demonstrable. It is important that the region acknowledges the difference between transparency of its engagement, such as feedback received, actions taken, prioritisation exercises and reflecting on learnings, versus communicating final decisions.

NW&C has also undertaken an exercise to overhaul its stakeholder mapping in response to previous ORR feedback and submissions. This new approach sees each stakeholder allocated to an executive board member. The major split of responsibilities fell to route directors and the Passenger director.

Well-governed

NW&C has been able to demonstrate that its core governance of annual stakeholder activities is effective. The region has refreshed its reporting structure of quarterly business reviews, providing accountability for routes to plan with stakeholder priorities in mind. A clear governance structure in place for each of the lead train operators to enable a continuous process of improvement where necessary. The region is transitioning to a new CP7 framework for its supply chain partners. A supplier event was held in April 2024 to set out this new approach before individual meetings were

held.

NW&C has identified areas for improvement where things could be better, including community engagement. We expect to see the updated stakeholder engagement strategies cover these proposed improvements in more detail.

NW&C display reflective language and a strong desire to improve. We can be confident that they have identified areas for improvement and they have a plan on how to address these.

Consumer Expert Panel

Good practice from self-assessment submission

Manchester Piccadilly Assisted Travel Lounge (inclusive): The Assisted Travel Lounge and Changing Places facility opened in June 2023 and enhances inclusion for a wide range of passengers, such as sensory space for neurodiverse passengers. The region took a collaborative approach to achieve a cost-effective model for improvements to access. Plans for a similar facility at Liverpool Lime Street are underway, where the successful collaborative model will be replicated.

Senior level ownership (well-governed): NW&C has updated its stakeholder mapping process. The list of stakeholders has been allocated and assigned to an Executive board member. For each route, an executive level post is identified, responsible for managing the customer and stakeholder relationship.

Recommendations

Activity to continue or build on

NW&C should consider adopting its existing embedded processes of sharing feedback with key stakeholders to a wider range of stakeholder groups.

It should also reflect on the timeliness of its engagement, to ensure that planned early stakeholder engagement prevents the need for additional remedial work.

Areas requiring improvement

NW&C has committed to producing and submitting stakeholder engagement strategies to refresh

its stakeholder management in line with updated objectives and priorities by the end of Summer 2024. We expect it to deliver these to the committed timescales and share the outputs with ORR.

- ← Previous 3. Eastern
- → Next 5. Scotland

5. Scotland

Summary of performance

Network Rail Scotland has been able to demonstrate a clear year-on-year improvement in its stakeholder engagement activity, including taking appropriate action to respond to all of the recommendations from last year's report.

We were pleased to see that there has been an effort to learn from the best practice identified in other regions (e.g. Southern) and to adopt these within its own processes. Network Rail Scotland was able to demonstrate a more coordinated approach to engagement, a more ambitious approach to reporting and an understanding on how to tailor engagement effectively for different stakeholder groups. It excelled in crisis management communications, which should serve as best practice for other business units.

While this is positive progress, there are still a number of areas that the region can build on. It could have used more quantitative data or metrics to measure the effectiveness of its stakeholder engagement activities to showcase progress more robustly.

There is evidence that Network Rail Scotland have learned from Southern and have a more ambitious approach to reporting and conducting its stakeholder engagement this year. Although things are moving in the right direction, there is still more to do.

Consumer Expert Panel

In addition, the narratives for some of its engagement across stakeholder groups, such as its funders and regulatory bodies were considerably better evidenced than others. We encourage Network Rail Scotland to ensure that its approaches to engagement with these stakeholders is adopted across all stakeholder groups.

Effective

Network Rail Scotland was able to illustrate an improvement in its overall effectiveness of stakeholder engagement. The region demonstrated that engagement was broadly timely and had been conducted through a range of methods. According to one survey, 9 in 10 stakeholders find the communications they receive from Network Rail Scotland useful (87%) and reflect positively on engagement opportunities with the organisation.

Network Rail Scotland became the first part of Britain's rail network to publish a joint climate plan with an operator. The collaboration has created an effective approach to addressing the impacts of the changing climate across all of Scotland's Railway – and brings an opportunity for climate collaboration across the wider infrastructure sector. However, it would have benefited from more evidence detailing how different stakeholder views have been considered across certain activities in the plan.

Inclusive

Network Rail Scotland were able to better demonstrate its engagement with a range of different stakeholders compared to last year. This included detailed engagement with operators outside of ScotRail, and attempts to apply the same culture and activities across these different engagements. An example of this is the production of a Charter and Heritage strategy, aiming to provide the conditions to grow the number of charter services operating in Scotland.

Examples were provided of innovative approaches adopted to improve inclusiveness, such as the trial of a new method for engaging with local communities in the development of station masterplans and the launch of a new customer service academy. Overall, inclusivity was relatively well addressed, however it would benefit from further evidence and explanation of methodologies used and the scale of engagement consistently across all stakeholder groups. We had expected the region to demonstrate the effectiveness of its engagement model with the freight community in more detail, given we know Network Rail Scotland are performing well in this area and other regions are adopting a similar approach.

Transparent

Network Rail Scotland has significantly improved its stakeholder mapping process, in collaboration with the Southern region. This is now more detailed as a result of additional mapping to identify the correct stakeholder mapping contacts. There have been good instances of

innovative approaches to understand their stakeholders. This included identifying 10 passenger profiles for Scotland's Railway, in order for Network Rail Scotland and ScotRail to share data and intelligence to better understand how passengers use the railway.

It was able to highlight a number of examples of using multiple channels to provide sufficient information to stakeholders, particularly in the context of storm management, with clear and transparent communications during the 11 named storms this year. However, in most cases evidence of what the organisation has changed and how as a result of feedback is lacking or could be better demonstrated.

Well-governed

Network Rail Scotland have made a concerted effort to reflect on and improve the management structures and feedback channels between different parts of the region this year. Ahead of the year 5 exercise, we requested that the region provide us with more information on its governance arrangements.

Network Rail Scotland responded to our request in a timely manner, setting out these arrangements and its future plans in this area. While there are improvements that have already been made, including instituting a new stakeholder engagement meeting, it is also encouraging to see more ambitious plans being prepared for the future.

Some of the evidence provided for year 5 fell short of explaining how and why the engagement which took place was meaningful, and what indicators or criteria were used to judge its effectiveness.

Network Rail Scotland could do more to make clear the methodologies used for collecting feedback and illustrate what is being done to embed good practices and standards or benchmarks of stakeholder engagement across the region into its business-as-usual activity.

Consumer Expert Panel

Good practice from self-assessment submission

Customer Service Academy (inclusive): is a bespoke development programme run with ScotRail. The aim is to develop its people and provide them with the essential skills required to put service at the heart of everything they do. The programme is accredited by City and Guilds.

Storm Babet crisis communications (transparent, effective): Having crisis communications experts working across the region has helped to land key messages on potential disruption and have become an invaluable source of information for communities across Scotland, helping other industries and communities to make informed decisions that kept people safe. Network Rail Scotland won the Digital Railway Team award at the Railstaff Awards 2023.

Recommendations

Activity to continue or build on

Network Rail Scotland should consider how to further embed stakeholder feedback into its day-to-day business decisions.

It should embed quantitative data into its processes to effectively monitor and illustrate the scale and success of its stakeholder engagement activity.

We welcome the plans proposed for the development of a stakeholder engagement strategy document and encourage Network Rail Scotland to progress with this.

Areas requiring improvement

Network Rail Scotland needs to ensure that there is appropriate focus on its engagement with freight customers, and the governance and coordination aspects of this approach are transparent.

- ← Previous 4. North West & Central
- → Next 6. Southern

6. Southern

Summary of performance

Southern's self-assessment submission was of excellent quality, consistently scoring highly across all the four principles of stakeholder engagement. As such, we ranked the region as the strongest performer across the business units.

Southern has learnt from other business units, as well as sharing their own best practices, which

we welcome and encourage the continuation of across all business units. The region has addressed the recommendations provided by ORR in last year's assessment and provided evidence to demonstrate continuous improvement.

Southern provided evidence of acting on stakeholder feedback throughout the submission, highlighting how feedback has changed decisions. For example, Southern re-wrote a strategic planning documentation (the Wessex Mainline Strategic Study) to include an analysis of journey time improvements to Waterloo, following feedback from Portsmouth and Southampton City Councils.

The reporting is reflective, informative and supported by evidence. There are multiple case studies which aim to illustrate the nature of the work and the different types of engagement which are being taken. There is strong evidence that Southern is continuing to innovate to improve stakeholder engagement in all areas (e.g. 'out of hours on-call roster') and that it is proactively attempting to identify and apply best practice from elsewhere.

Consumer Expert Panel

Performance by principle of stakeholder engagement

Effective

Southern provided clear evidence of adjusting decisions based on stakeholder feedback, including the example of the Wessex Mainline Strategic Study outlined above. Engagement was also undertaken sufficiently far enough in advance to enable the outputs to be incorporated into decisions.

As the political landscape changed, Southern updated its stakeholder mapping accordingly, deploying a new tool to help create bespoke maps for each project.

Crucially, the region measured the impact of stakeholder engagement using both qualitative and quantitative feedback, such as newsletter readership figures and pulse survey results.

The region illustrates innovation through the development of new models for management and governance, such as the Southern Renewals Enterprise (SRE) and Southern Integrated Delivery

(SID), the change in leadership, behaviours and skills that it brings, and developing it based on best practice in other sectors.

Consumer Expert Panel

Inclusive

Southern's detailed stakeholder mapping included a range of stakeholders including small to medium-sized enterprises, lineside neighbours and disabled passengers. The submission also provided evidence of tailoring communication and activities to meet the needs of different stakeholders.

Transparent

The region evidenced that stakeholders were given feedback on the engagement activities they took part in. This included explaining to stakeholders when their request could not be proceeded with, explaining why and finding an alternative solution instead

One of the positive things from Southern's submission is the work to embed a methodical and coherent approach to stakeholder engagement across all of Southern's activities, from the top to the bottom.

Consumer Expert Panel

Well-governed

Southern's self-assessment contained evidence that is best practice in terms of stakeholder governance. This is embedded within the region's principles of 'listen, learn, improve' and the focus on continuous improvement.

Good practice from self-assessment submission

The Motspur Park Access for All (transparent): A best practice example of stakeholders in Wessex being given the opportunity to feed into the strategic planning process in a timely manner. This included engaging with local communities to ensure their ideas and feedback are listened to and delivering upgrades accordingly. At Motspur Park this involved installing a footbridge to address youth trespassing.

Senior buy-in and governance (well governed): The chief of staff for the region reviews stakeholder engagement activities on a weekly basis. This is best practice of senior level commitment to stakeholder engagement.

Recommendations

Activity to continue or build on

Southern should continue the high-quality stakeholder engagement processes that it has in place. It could also consider how to help other regions to raise the overall level of engagement across Network Rail, through continued sharing of learnings and successes.

Areas requiring improvement

Southern could consider how to further embed engagement with passengers and lineside neighbours around strategic and longer-term issues focused on the core aspects of planning and delivery, rather than just issues linked to service, complaints and planned work.

- ← Previous 5. Scotland
- → Next 7. System Operator

7. System Operator

Summary of performance

The System Operator (SO) met the requirements of the self-assessment, scoring well in the areas of inclusivity and well governed. However, there are clear areas of improvement within the principles of transparency and effectiveness.

This year, the SO was the joint weakest performer relative to the other business units within the scoring of the assessment and criteria used to review the self-assessment submissions (with North West & Central region). This does not necessarily denote a reduction in the quality of its stakeholder engagement performance but reflects its position relative to others.

We recognise that the SO has a unique role within Network Rail, and therefore is required to

undertake different forms of engagement with different stakeholders (e.g. operational communication with freight operators and also internal communication with regions over direction etc). The focus of our annual assessment is on Network Rail's compliance with the stakeholder engagement duty in its licence, with stakeholders as defined in Chapter 1 of this report. Therefore, we have assessed the SO's engagement in this context.

The annex of the SO's submission outlines ORR's year 4 feedback and the accompanying actions it has taken, which we welcome. While the annex structure is clear, the improvements made by the SO were not very well evidenced or articulated. It would be helpful to see the SO ensure that engagement is inclusive to a range of stakeholders within different categories, including regions, funders and operators.

Overall, there seems to be different formats of engagement with different stakeholder groups, and there is evidence of opening up engagement and receiving more feedback, but the change of actions taken needs to be better evidenced and articulated.

Consumer Expert Panel

Performance by principle of stakeholder engagement

Effective

The SO used a variety of different tools such as passenger research, and customer surveys, as part of its engagement with external stakeholders. It would have been helpful to provide further detail on how this stakeholder engagement has informed internal thinking and business planning and provide more examples of where stakeholder feedback has changed the SO's decisions or approach.

While the self-assessment contains some useful case studies, it would be helpful to ensure a consistent approach across all stakeholder groups.

Inclusive

Each section of the self-assessment contained stakeholder mapping, and the submission highlighted a good understanding of different stakeholders both internally and externally.

However, there could have been more evidence behind statements of inclusivity to help substantiate the claims and provide further examples of engaging all relevant stakeholders.

Transparent

The self-assessment includes some examples of changes being made because of feedback from stakeholders, such as the freight Stakeholder Engagement Forum. The forum was set up by the SO in response to stakeholder feedback which highlighted the preference for one key interface, which led to the creation of an integrated Railfreight team. This has now taken place, unifying Network Rail and

GBRTT colleagues to drive business improvement, advocacy and engagement with freight operating companies.

The SO also provided some examples of instances where the stakeholder feedback has been shared with the relevant teams within the SO. For example, the findings from the SO's annual Customer Advocacy survey, and accompanying action plan was shared with the SO leadership team and with stakeholders.

The SO needs to better demonstrate how stakeholders' feedback has impacted business decisions. It should also ensure stakeholders are able to see how their feedback has been taken onboard in the decision-making process.

Well-governed

The SO provided evidence of its different roles and responsibilities which exist with regards to external stakeholder engagement. The self-assessment also provided evidence of strong internal collaboration, which is necessary to deliver good external engagement. Overall, there seem to be positive developments in developing more effective processes and governance arrangements.

Good practice from self-assessment submission

Customer advocacy survey (transparent, well governed): The SO shared findings and actions from the survey with the stakeholders interviewed. The survey was carried out by an impartial independent expert organisation then the results analysed and shared with the leadership team.

DB Cargo Satisfaction survey (effective): The SO undertook a customer satisfaction survey with

DB Cargo and will feed the responses into a new action plan to create more meaningful engagement.

Recommendations

Activity to continue or build on

The SO should continue to build on the good freight stakeholder engagement undertaken, sharing best practice with other Network Rail business units.

Areas requiring improvement

The SO should consider how to demonstrate that external stakeholder feedback has informed internal priorities and thinking. It should also consider how to consistently measure and demonstrate the impact of engagement rather than just stating that it took place.

In particular, there is scope for the SO to learn from the Southern region on stakeholder engagement best practice, including creating a vision for stakeholder engagement.

- ← Previous 6. Southern
- → Next 8. Wales & Western

8. Wales & Western

Summary of performance

Wales & Western provided a strong submission which took on board ORR's feedback from last year, clearly outlining how this has been acted upon.

Wales and Western have reflected on ORR's feedback last year and clearly made changes as a result, which is good to see.

Consumer Expert Panel

Wales & Western provided good examples of how they are building and maintaining positive working relationships, to inform and educate stakeholders, such as passengers, lineside

neighbours and those living in rural communities. Wales & Western also clearly evidenced engagement with a wide variety of stakeholders, including minority groups and local stakeholders, in a proportionate way.

We welcome the introduction of the independent challenge panel, and other commitments such as passenger drop-in sessions and Q&As which highlight how stakeholder's feedback and views are being listened to. We expect our recommendations from the Wales & Western investigation and the role of stakeholder engagement within that to be taken forward. This includes the expectation that Network Rail adopts a renewed focus on passenger communication, to ensure passengers understand what is driving poor performance and when they can expect improved reliability and punctuality.

Performance by principle of stakeholder engagement

Effective

Wales & Western provided a wide range of methodologies for stakeholder engagement in its self-assessment, from helpline cards for lineside neighbours to stakeholder breakfasts. It is positive to see the variety of methods for reaching stakeholders, where engagement is tailored to the specific stakeholder, to ensure it is appropriate.

Wales & Western highlighted a range of meaningful stakeholder engagement opportunities, where stakeholders had the opportunity to provide feedback before decisions were made. The stakeholder challenge panel is a strong example of where stakeholder feedback has informed business thinking.

Inclusive

Wales & Western provided excellent stakeholder mapping, which highlighted that the region has a good understanding of all stakeholders, with a broad breadth of engagement across a wide variety of stakeholders.

Within the submission there was also evidence of where Wales & Western has taken on board feedback from stakeholders. For example the region acted on feedback from stakeholder polling, which showed stakeholders' preference for simultaneous rather than bilateral engagement.

The region has also focused heavily on accessibility of engagement, such as increasing engagement options for the digitally excluded.

Transparent

Wales & Western provided some evidence of targets linked to engagement as part of the submission, such as targets for the number of complaints and tracking against these. We would recommend this approach of setting and monitoring targets is expanded to more areas of its stakeholder engagement.

The region also showed awareness of areas where improvement is needed, and lessons could be learnt. This focus on lessons learnt shows a mature approach to stakeholder engagement and a commitment to demonstrate continuous improvement.

Well-governed

Wales & Western used a variety of different polls to understand stakeholder perceptions and attitudes. We welcome a variety of stakeholder engagement methodologies. For example, the use of independent experts which helped to ensure that feedback was gained impartially. Using independent assurance to monitor the quality of engagement enables impartial, honest and frank feedback that can be translated into actionable outputs for the business unit. We encourage all business units to adopt this approach.

Good practice from self-assessment submission

Access for All in Abergavenny (inclusivity): Wales & Western has focused on ensuring engagement is appropriate for those who face digital exclusion. In Abergavenny, project and communications team members have undertaken door knocking as part of the Access for All scheme.
CP7 stakeholder challenge panel (well governed): Wales & Western put in place an independent stakeholder challenge panel for CP7, to scrutinise the development of its delivery plan, adopting best practice from other industries.

Recommendations

Activity to continue or build on

Wales & Western should continue to build trust with stakeholders. For example, It was positive to

see the region build relationships with lineside neighbours and build trust via joint business planning forums with operators.

We recommend that the region continues its focus on inclusion, ensuring that different groups of stakeholders have communication tailored to their needs.

Areas requiring improvement

The region could do more to ensure that targets are consistently applied, and engagement is measured across all stakeholder activities.

While it was positive to see that Wales & Western followed up on feedback from stakeholders, it must ensure that this is done consistently, to enable stakeholders to be informed on how their feedback has been implemented.

It is positive that Wales & Western has identified areas for improvement in its stakeholder engagement. Wales & Western should consider how to address these going forwards.

In addition to the recommendations highlighted above, we also expect the region to take forward the recommendations highlighted in our recent train performance investigation:

(a) Network Rail has described a wide range of engagement touchpoints with its stakeholders. It is clear Wales & Western takes stakeholder engagement seriously with significant time commitment dedicated to it. As part of our recommendation to Network Rail to take a lead in seeking to drive greater cross-industry performance improvements, it should also reflect on its stakeholder engagement touchpoints to make sure that they are structured to most effectively govern performance improvement (NR5).

(b) Stakeholders have highlighted incident learning as a significant area for Network Rail to improve on. In addressing our incident learning recommendation (NR10), Network Rail should make sure that it takes a joined-up approach to incident learning with train and freight operating companies, to achieve appropriate participation in each other's incident learning reviews and transparency in tracking delivery of improvement actions.

(c) Lastly, we would urge Network Rail to adopt a renewed focus on passenger communication to make sure that passengers understand what is driving poor performance, what the region is doing to remedy this and when passengers can expect improved reliability and punctuality. Network Rail should continue to work with train operating companies to achieve timeliness and transparency of

communications to passengers during delay incidents.

- ← Previous 7. System Operator
- → Next Annex A: Summary of recommendations

Annex A: Summary of recommendations

Recommendations applying across Network Rail

Across its business, Network Rail should ensure that it:

Systematically obtains, understands, and responds to stakeholder views in a consistently high-quality manner, adopting recognised best practice. We will engage with Network Rail about whether it signing up to a stakeholder engagement standard might be useful and reduce the need for ongoing ORR intervention in this area.

Demonstrates consistently high-quality stakeholder engagement is embedded across its business. Network Rail needs to better demonstrate how it has fostered a culture of continuous improvement and how it embeds best practice, such as crisis communication management in storm events, throughout the organisation.

Replicates areas of mature and well-governed stakeholder engagement across all stakeholder groups. We have seen evidence that there are mature approaches to Network Rail's stakeholder engagement in some areas and with certain groups (e.g. elected officials). We want to see this being adopted and maintained across all stakeholder groups.

Adopts consistent, comparable, quantitative metrics to monitor stakeholder satisfaction across business units. In our PR23 policy framework consultation, Network Rail provided us assurance that this is already the case, and we are reviewing existing measures to see if we need to establish potential future measures in this area.

Consistently monitors the impact of its stakeholder engagement activity, using this to improve and refine its processes. We have seen pockets of improvement from last year, but this has not been consistent across the organisation.

Ensures that its regions can demonstrate that they are working constructively with the System

Operator to undertake engagement with their freight customers. While we recognise the work done by the SO on engagement with external freight stakeholders, we do expect other regions to support the work of the SO with their own freight customer engagement activities. Each region will work toward a target for growth in the freight sector for the first time across CP7.

Recommendations applying to specific business units

Eastern

Activity to continue or build on

Eastern should continue to consider how to evidence and articulate the impact of its stakeholder engagement activities.

Eastern should continue to build on the positive examples provided through its 'Focus Weeks', with a priority on consistently reflecting on the lessons learned and taking forward committed actions.

Areas requiring improvement

The region should consider how to embed stakeholder feedback into its business decision-making processes.

North West & Central

Activity to continue or build on

NW&C should consider adopting its existing embedded processes of sharing feedback with key stakeholders to a wider range of stakeholder groups.

It should also reflect on the timeliness of its engagement, to ensure that planned early stakeholder engagement prevents the need for additional remedial work.

Areas requiring improvement

NW&C has committed to producing and submitting stakeholder engagement strategies to refresh its stakeholder management in line with updated objectives and priorities by the end of Summer 2024. We expect it to deliver these to the committed timescales and share the outputs with ORR.

Scotland

Activity to continue or build on

Network Rail Scotland should consider how to further embed stakeholder feedback into its day-to-day business decisions.

It should embed quantitative data into its processes to effectively monitor and illustrate the scale and success of its stakeholder engagement activity are transparent.

We welcome the plans proposed for the development of a stakeholder engagement strategy document and encourage Network Rail Scotland to progress with this.

Areas requiring improvement

Network Rail Scotland needs to ensure that there is appropriate focus on its engagement with freight customers, and the governance and coordination aspects of this approach.

Southern

Activity to continue or build on

Southern should continue the high-quality stakeholder engagement processes that it has in place. It could also consider how to help other regions to raise the overall level of engagement across Network Rail, through continued sharing of learnings and successes.

Areas requiring improvement

Southern could consider how to further embed engagement with passengers and lineside neighbours around strategic and longer-term issues focused on the core aspects of planning and delivery, rather than just issues linked to service, complaints and planned work.

System Operator

Activity to continue or build on

The SO should continue to build on the good freight stakeholder engagement undertaken, sharing best practice with other Network Rail business units.

Areas requiring improvement

The SO should consider how to demonstrate that external stakeholder feedback has informed internal priorities and thinking. It should also consider how to consistently measure and demonstrate the impact of engagement rather than just stating that it took place.

In particular, there is scope for the SO to learn from the Southern region on stakeholder engagement best practice, including creating a vision for stakeholder engagement.

Wales and Western

Activity to continue or build on

Wales & Western should continue to build trust with stakeholders. For example, it was positive, to see the region build relationships with lineside neighbours and build trust via joint business planning forums with operators.

We recommend that the region continues its focus on inclusion, ensuring that different groups of stakeholders have communication tailored to their needs.

Areas requiring improvement

The region could do more to ensure that targets are consistently applied, and engagement is measured across all stakeholder activities.

While it was positive to see that Wales & Western followed up on feedback from stakeholders, it must ensure that this is done consistently, to enable stakeholders to be informed on how their feedback has been implemented.

It is positive that Wales & Western has identified areas for improvement in its stakeholder engagement. Wales & Western should consider how to address these going forwards.

In addition to the recommendations highlighted above, we also expect the region to take forward the recommendations highlighted in our recent train performance investigation:

(a) Network Rail has described a wide range of engagement touchpoints with its stakeholders. It is clear Wales & Western takes stakeholder engagement seriously with significant time commitment dedicated to it. As part of our recommendation to Network Rail to take a lead in seeking to drive

greater cross-industry performance improvements, it should also reflect on its stakeholder engagement touchpoints to make sure that they are structured to most effectively govern performance improvement (NR5).

b) Stakeholders have highlighted incident learning as a significant area for Network Rail to improve on. In addressing our incident learning recommendation (NR10), Network Rail should make sure that it takes a joined-up approach to incident learning with train and freight operating companies, to achieve appropriate participation in each other's incident learning reviews and transparency in tracking delivery of improvement actions.

(c) Lastly, we would urge Network Rail to adopt a renewed focus on passenger communication to make sure that passengers understand what is driving poor performance, what the region is doing to remedy this and when passengers can expect improved reliability and punctuality. Network Rail should continue to work with train operating companies to achieve timeliness and transparency of communications to passengers during delay incident.

- ← Previous 8. Wales & Western

- ← Previous 5. Scotland
- → Next 7. System Operator