ORR's annual assessment of Network Rail's Wales & Borders route 2024 to 2025

Letter

17 July 2025

Dear Alexia, Stuart,

Subject: ORR's annual assessment of Network Rail's Wales & Borders route

I am writing to you, separately to our 2024-25 Annual Assessment of Network Rail to summarise our assessment of the Wales & Borders route's performance in 2024-25. The Wales & Borders route is located within Network Rail's Wales & Western region. It operates and maintains the railway across Wales and the border counties of England.

Summary of delivery in 2024-25

Train performance has continued to improve over the past year and the route has made good progress in implementing its planned performance improvement actions to date. Asset reliability had deteriorated in previous years but this improved last year. However, the route needs to improve its understanding of its assets by addressing compliance with structural assessments, and earthworks examinations.

Delivering a reliable and punctual service for passengers

Following continued poor train performance across the Wales & Western region, ORR launched an investigation in November 2023 which led to us finding Network Rail in breach of its licence

condition in respect of railway service performance. We issued it a final order on 10 July 2024 which included requiring it to produce a robust and evidenced performance improvement plan. Network Rail complied with this requirement and is now implementing its plan.

We have been monitoring Network Rail's implementation of the plan and following a first six-month review, have assessed that it is making good progress in delivery. Network Rail has reported completing 10 out of its 13 Wales route actions. It has also reported completing 13 of the 18 regional level actions, from which the Wales route is expected to derive performance improvement benefits. Network Rail is already reporting direct performance benefits relating to fixed infrastructure, train service recovery and mitigating the impacts of severe weather. The route has delivered over £500,000 of interventions to reduce trespass and improve security. The route has also expanded its 'local railway' network to enhance collaboration between Network Rail and train operation companies and deliver better rail user outcomes (such as train performance) more efficiently. There are now 'local railway' structures in place covering North Wales, Cambrian, Central & West Wales, and South Wales mainline. We will continue to monitor Network Rail's delivery of the plan until we are satisfied that it has been fully implemented.

The route's focus on train performance and the benefits of the planned actions that it has completed is reflected in the continued improvement in passenger punctuality it has achieved. The route began to reverse poor train performance in 2023-24 before we concluded our investigation and it has continued to build on this improvement in 2024-25 with the benefit of the additional actions that it has taken.

Time to 3 performance improved from 71.4% in 2023-24 to 76.0% in 2024-25. Likewise, On Time performance improved from 52.8% in 2023-24 to 58.5% in 2024-25. The route exceeded its target by 2.7 percentage points. Network Rail caused delay minutes per thousand miles in the route improved from 37.4 in 2023-24 to 33.4 in 2024-25 which was better than its target.

The route has reduced the delay it causes over the past year. One area it has focused on has been the removal of temporary and emergency speed restrictions. Delays from temporary and emergency speed restrictions have reduced from over 5,000 minutes per period a year ago to under 2,000 minutes per period now. Part of the reason has been the close attention paid to each speed restriction, ensuring that each one has a clear, timebound removal plan. We have seen evidence of a collaborative industry approach in this area.

Passenger cancellations also improved during the year. Passenger cancellations reduced on the Wales route by 0.7 percentage points from 5.9% (moving annual average) at the end of 2023-24.

However, cancellations remained high (5.3% in 2024-25) and the route missed its target by 1.4 percentage points. Network Rail's contribution to passenger cancellations has remained largely static during the year while cancellations attributable to train operating companies has improved but remains the dominant factor of cancellations.

Delivering for freight

Freight cancellations improved during the year, reducing from 3.5% in 2023-24 to 2.5% in 2024-25. However, this fell short of the route's target of 2.1%.

There has been strong freight growth on the Wales route of 5.1% in the year, exceeding its target. When constructed, the electric arc furnace at Port Talbot is expected to lead to a significant uplift in scrap metal moved into South Wales by rail. Network Rail is making preparations for this increase in freight.

Improving asset reliability

Asset reliability on the Wales & Borders route, as measured using the Composite Reliability Index (CRI), improved during the year. The route finished the year with a CRI score of 3.4% against its target of –8.9%. This means it was 12.3 percentage points above target, and 3.4% better than it was in the final year of control period 6 (CP6).

CRI is a composite measure of seven asset groups. The reliability of its track, signalling, electrical power and telecoms assets improved, while the reliability of points, buildings and structures deteriorated and did not meet the route's targets.

Network Rail's Wales & Western region has not delivered structures and buildings examinations and assessments in line with Network Rail's standards and has also built up a backlog of earthworks examinations. If not addressed, this risks undetected faults, safety hazards and operational disruptions, with the potential for significant effect on passengers, members of the public and Network Rail's workforce. We have received Network Rail's proposed recovery plan to address non-compliance; we are currently reviewing this and engaging an independent reporter on the matter.

Wales route made good progress in delivering its planned renewals across most asset types. However, re-signalling at Port Talbot has faced increased costs as a result of challenges in programme delivery and the project deliverer's assumptions of longer site access not being

realised. As a result, the re-signalling project has been longer than planned.

As set out in our final determination, due to constrained funding in CP7 Network Rail will be relying on life-extending repairs and maintenance over renewals over the course of CP7 as compared to CP6. We are therefore increasing our focus on these activities.

Network Rail is developing plans to upgrade the relief lines between Severn Tunnel Junction and Cardiff. This project will raise line speeds, increase capacity and support future station developments and enhancements.

Ensuring safety

We completed our prosecution of Network Rail following the death of two trackworkers who were struck by a train near Margam, South Wales on 3 July 2019. Network Rail was fined £3.75 million for a breach of the Health and Safety at Work etc Act 1974. ORR's investigation of the incident found systematic and wide-ranging safety failures by Network Rail in its measures to protect those working on or near line from trains, resulting from inadequacies in its processes and management systems. Since the accident at Margam, Network Rail has made significant progress to reduce the risk to track workers and it has introduced new protections. Network Rail must remain committed in its focus on track worker safety.

We launched an investigation into the collision of two Transport for Wales trains at Talerddig, Powys, on 21 October 2024. One passenger died and four other people were seriously injured in the collision. Our investigations are running alongside those of the Rail Accident Investigation Branch and British Transport Police. Our focus has been on autumn preparedness, the management of rail adhesion, the functioning of the signalling system, train maintenance, train safety devices, driver training, driver actions and the information received by the driver.

Looking ahead to Year 2 of CP7

Over the next year, we look forward to seeing Network Rail continue to build on the good progress it has made in improving train performance in Wales, as well as implementing its remaining performance improvement plan actions. We expect it to deliver on its commitments to address compliance with structural examinations and assessments, and earthworks examinations.

Yours sincerely,

[signed]

Richard Coates

Deputy Director, Railway Planning and Performance

Related publications

Asesiad blynyddol ORR o lwybr Cymru a'r Gororau Network Rail

Published 17 July 2025

PDF 164.45 KB

More info

Download

Show more