



2018 periodic review draft determination

**Supplementary document –
stakeholder engagement**

June 2018

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Context

The [2018 periodic review](#) is the process through which we determine what Network Rail¹ should deliver in respect of its role in operating, maintaining and renewing its network in control period 6 (CP6)² and how the funding available should be best used to support this. This feeds through into the:

- service that passengers and freight end users receive and, together with taxpayers, ultimately pay for; and
- charges that Network Rail's passenger, freight and charter train operator customers will pay for access to its track and stations during CP6.

This document forms part of our [draft determination](#), which sets out our overall decisions on PR18 for consultation. We have also published an [overview document](#), setting out:

- our proposed decisions in all the main areas of PR18 and next steps;
- a summary of how we will regulate Network Rail's delivery in CP6; and
- next steps in PR18.

In addition, there are high-level summaries of our main decisions for each [England & Wales](#) and [Scotland](#). The full set of documents that form the draft determination is set out in the diagram below. After taking account of consultation responses, we will publish our final determination in October 2018.

A map of our earlier consultations and conclusions that have led up to our draft determination is available [here](#).

Responding to the consultation on our draft determination

We welcome comments on this document and/or the other documents that form part of our draft determination by Friday 31 August 2018. Full details on how to respond are set out in Appendix B of our [overview document](#). This includes how we will treat any information provided to us, including that which is marked as confidential. Subject to this, we expect to publish responses alongside our final determination in October 2018.

We have provided a [pro-forma](#), should you wish to use this when responding. If you choose not to use the pro-forma, we would be grateful if you would make clear in your response that you are commenting on this supplementary document. This will assist our process for reviewing comments.

¹ All references to Network Rail in this document are to Network Rail Infrastructure Limited.

² CP6 will run from 1 April 2019 to 31 March 2024.

Our draft determination documents (includes weblinks)*

PR18 draft determination overview document		
England & Wales summary	Scotland summary (and supporting annex)	
Draft settlement documents	Supplementary documents	
FNPO route	SBP assessment	
System Operator		
Route review summaries		
Anglia route		
LNE & EM route		
England & Wales	LNW route	Policy
	South East route	
	Wales route	
	Wessex route	
	Western route	
Other documents	Conclusions to earlier consultations	
Glossary	Conclusions to working paper 8 on managing change	
Consultancy & reporter studies	Conclusions on our approach to assessing efficiency & wider financial performance	

*Please note that some documents, including consultancy and reporter studies and impact assessments, will be published following 12 June 2018.

1. Summary

Introduction

- 1.1 Network Rail's routes and the System Operator (SO) now have much greater opportunity than before to lead targeted stakeholder engagement to inform their individual strategic plans. This reflects the increasing devolution of responsibilities from the Network Rail centre to the routes/SO and, in support of that, our approach in our 2018 periodic review (PR18) of making a separate settlement for each route/the SO, identifying the funding available to it and the outputs it is expected to deliver.
- 1.2 We wanted the routes/SO to engage with their stakeholders in developing their strategic plans to help them to understand and meet their stakeholders' requirements and to allow them to use operators' railway expertise and understanding of operations, access and costs to make their plans more efficient, realistic and credible.
- 1.3 Good stakeholder engagement will not always lead to unqualified agreement, particularly where the funding available is not sufficient to meet all stakeholders' aspirations. However, delivering stakeholder priorities to the extent that is possible (and is good value for money) will ultimately benefit passengers and other end-users, as will being clear about how difficult trade-offs have been made.
- 1.4 In light of this, in our February 2017 'Guidance on Network Rail's strategic business plans' (SBP Guidance)³ we said that the routes/SO should take account of their stakeholders' priorities in developing their strategic plans. To do this, we said that the routes/SO should engage with their stakeholders in a collaborative and meaningful way that provides those stakeholders with appropriate opportunities to input into and influence the strategic plans. We did not prescribe how the routes/SO should engage, but we did set out some criteria we could use to assess how well they did so (which are set out in Section 2 below).
- 1.5 This document sets out our views on the strengths and areas for improvement in the engagement carried out by the routes/SO to inform their strategic plans, and highlights areas in which the routes/SO have adopted different approaches to their engagement. Table 1.1 below sets out our high-level assessment of the quality of the SBP stakeholder engagement by each route/SO; more detailed assessments are included in the individual route settlement documents and at Appendix 1 of this document.

³ *Guidance on Network Rail's strategic business plans*, Office of Rail and Road, February 2017. This may be accessed [here](#).

- 1.6 Overall, Network Rail’s stakeholder engagement has received much greater focus and attention than before. We recognise that devolution within Network Rail is at a relatively early stage and that it will take time for the routes/SO to develop well-functioning processes and approaches that enable meaningful engagement. The routes/SO will need to bring their stakeholders with them in this process, to ensure that engagement meets their individual needs.
- 1.7 We expect the routes/SO to build on their experience of engaging with their stakeholders in developing their strategic plans when they establish their approaches for ongoing engagement throughout CP6. In particular, we expect them to reflect on the examples of best practice and areas of improvement we have identified through our assessment. To support this, we commissioned Steer Davies Gleave (SDG) to produce advice to the routes/the SO, which is intended to provide some practical suggestions on how they might derive most value from their engagement with stakeholders⁴. To promote further improvements in this area, we will regularly assess the quality of the routes’/SO’s stakeholder engagement over CP6.

Findings of our assessment

- 1.8 We set out below a summary of our assessment of the quality of engagement across the routes/SO, broken down into:
- the scope of the engagement and the methods used;
 - the recording and analysing stakeholders’ priorities; and
 - the trading-off of competing priorities and line-of-sight to commitments in the plans.

Scope and methods of engagement

- 1.9 Each of the routes/SO engaged with its stakeholders in developing its strategic plans. The level of engagement with some stakeholder groups varied across the routes/SO. For example, some routes/SO did more to engage with suppliers and freight end-users than others.
- 1.10 Reflecting the autonomy afforded by Network Rail’s devolution of responsibility to the routes/SO, different routes/SO have adopted different approaches to doing this. These approaches have included dedicated CP6 planning workshops, bilateral meetings, ‘drop-in sessions’, business as usual meetings (such as Route Investment Review Group (RIRG) meetings), and written correspondence.

⁴ *Stakeholder Engagement: Advice for Network Rail Routes and the System Operator*, Steer Davies Gleave, June 2018. This will be published shortly after 12 June 2018, and may be accessed [here](#).

- 1.11 The routes/SO have, to varying degrees, adopted different approaches to engaging with different stakeholder groups, reflecting their different needs. For example, some routes held separate workshops for stakeholders with interests in different geographic parts of the route or for different types of stakeholder (operators, local authorities and related bodies, suppliers and so on).
- 1.12 Stakeholders should be able to challenge the decisions taken by the routes/SO, and the routes/SO should support this by establishing clear mechanisms to raise and escalate concerns where appropriate. The extent to which the routes/SO established clear procedures for challenge and responded to specific challenges varied. Some stakeholders said that their concerns were taken seriously, while others said theirs were dealt with poorly or not at all.
- 1.13 The routes' performance trajectories over CP6 have been a particularly important and contentious issue for Network Rail, operators and wider stakeholders. We said that we wanted the routes to agree performance trajectories with their customers; however, as of early June 2018, agreement had only been reached with two operators. This reflected, in part, the slow start the routes made in engaging with customers on detailed performance discussions (which Network Rail said was a consequence of the SoFAs being published later than was originally planned). In addition, some operators were focused on the levels of performance that were underlying their franchise, rather than framing the conversation around what, in practice, could be delivered over CP6.
- 1.14 The National Task Force (a senior-level forum that bring together Network Rail and operator representatives to pursue cross-industry performance improvements) facilitated further discussion of performance trajectories, which identified factors that may have a positive influence on train performance that were not taken into account in the routes' forecasts. The routes may have produced better forecasts if they had engaged with their customers on train performance earlier.

Recording and analysis of priorities

- 1.15 Each of the routes/SO has reflected its understanding of its stakeholders' needs in its strategic plan. The clarity and level of detail with which this has been done varies, with some routes referring to a number of specific stakeholder requirements, and others setting out high-level themes common to some or all stakeholders.
- 1.16 Some routes/SO have been more transparent than others about how they translated the full range of feedback received (which in some cases ran into hundreds of individual items) into shorter lists of themes or key priorities presented in their

strategic plans. Some routes used well-defined methodologies to do this, while in other cases it was not clear what process was followed.

- 1.17 The use of existing or newly commissioned research to complement stakeholder engagement to inform the routes'/SO's view of their stakeholders' (particularly passengers' and other end users') priorities varied. Some routes/SO commissioned original research to fill gaps in their understanding, and others made good use of existing research (such as Transport Focus' 'Rail passengers' priorities for improvement'). However, some of the strategic plans made little or no reference to either new or existing research.

Trade-offs and line of sight

- 1.18 It may not be possible for the routes/SO to do everything that their stakeholders want them to. In such cases, the routes/SO should use the evidence derived from engagement, research and other sources to trade-off competing priorities. Some routes/SO acknowledged which stakeholder priorities they will be unable to meet in CP6, and in some cases discussed mitigating actions they might take. Others developed a 'constrained base plan' (that is, the plan they will pursue given the actual level of funding expected to be available), supplemented by 'vision schemes' they would like to pursue should additional funding be available. In some cases, however, the route/SO did not explain clearly enough how they have decided which stakeholder needs to meet.
- 1.19 To demonstrate that stakeholder feedback gained through the engagement process was used to inform the routes'/SO's plans, the plans should set out a clear line-of-sight between their stakeholders' priorities and the actions they have committed to take in CP6. The Wessex route included a helpful line-of-sight diagram setting out this information, and other routes/SO demonstrated a line-of-sight in other ways. Some routes/SO, though, did not adequately demonstrate a line of sight.
- 1.20 Some routes/the SO may not have provided sufficient opportunity for their stakeholders to influence their strategic plans (as indicated by feedback received from some stakeholders). It is important that the routes/SO adopt engagement activities and planning processes that provide opportunities both to communicate their strategic plans to stakeholders and for stakeholders to discuss, challenge and influence those plans. They should explain to their stakeholders how they plan to gather their views and how these will influence their plans.

Stakeholder engagement in CP6

1.21 Our expectations for how the routes/SO should engage in CP6, and our thinking on how we will assess this, are set out in Chapter 3 of the [PR18 draft determination: overview](#).

Table 1.1: Summary of our findings on the quality of SBP stakeholder engagement by the routes/SO

Route / SO	Scope and methods of engagement	Recording and analysis of stakeholder priorities	Trade-offs of competing needs and line-of-sight to commitments in the plan
Anglia	<ul style="list-style-type: none"> • Showed a good understanding of its stakeholders • Tailored its approach 	<ul style="list-style-type: none"> • Recorded all feedback received • Could have explained more clearly how stakeholder feedback was analysed 	<ul style="list-style-type: none"> • Did not explain clearly how it traded-off competing stakeholder needs • Could have done more to demonstrate line-of-sight between stakeholder needs and its commitments
FNPO	<ul style="list-style-type: none"> • Engaged with wide range of stakeholders • Had well-managed approach, but did not communicate this well in plan 	<ul style="list-style-type: none"> • Presented research well • Could have explained more clearly how evidence informed understanding of stakeholders' needs 	<ul style="list-style-type: none"> • Did not explain clearly its trading-off of competing priorities • Could have done more to demonstrate line-of-sight
LNE&EM	<ul style="list-style-type: none"> • Showed a good understanding of its stakeholders • Explained well how/why it engaged • Could have set out a clearer strategy for engagement 	<ul style="list-style-type: none"> • Set out a good list of stakeholders' needs and its response to them • Could have explained more clearly how it analysed stakeholder feedback 	<ul style="list-style-type: none"> • Explains how it traded-off competing needs • Demonstrated a line-of-sight
LNW	<ul style="list-style-type: none"> • Engaged with a good range of stakeholders, including suppliers • Began engagement early and tailored its approach 	<ul style="list-style-type: none"> • Maintained a detailed record of stakeholder comments • Could have been clearer about how it analysed these 	<ul style="list-style-type: none"> • Used stakeholders' feedback to identify additional investment options beyond its base plan • Demonstrated some line-of-sight
Scotland	<ul style="list-style-type: none"> • Engaged with a wide range of stakeholders • Also participated in the Scottish Ministers' HLOS engagement 	<ul style="list-style-type: none"> • Set out a detailed list of prioritised stakeholders' needs • Could have been clearer about how its engagement led to this list 	<ul style="list-style-type: none"> • Could have explained more clearly its trade-off of competing priorities • Sets out a line-of-sight between HLOS requirements and the plan, but not against all stakeholder needs

<p style="text-align: center;">South East</p>	<ul style="list-style-type: none"> • Adopted a formal stakeholder management plan • Hosted good quality workshops • Commissioned research on passengers' views on asset sustainability 	<ul style="list-style-type: none"> • Recorded stakeholder feedback fully • Could have been clearer about how it analysed its stakeholder needs and how it presented this 	<ul style="list-style-type: none"> • Demonstrated stakeholder input by setting out a 'vision' scheme and a constrained base plan. • Could have done more to demonstrate the trade-offs and line-of-sight
<p style="text-align: center;">SO</p>	<ul style="list-style-type: none"> • Engaged with a good range of stakeholders • Tailored its approach • Adopted open and transparent approach 	<ul style="list-style-type: none"> • Recorded and reflected on individual stakeholder needs • Some of the analysis of the stakeholder needs presented could have been clearer 	<ul style="list-style-type: none"> • Explained how it intends to meet stakeholder needs • Could have been clearer about which stakeholder needs it will not meet, and why
<p style="text-align: center;">Wales</p>	<ul style="list-style-type: none"> • Showed a good understanding of its stakeholders • Tailored its approach • Could have ensured more consistent quality of engagement throughout the process 	<ul style="list-style-type: none"> • Explained its process for analysing stakeholder needs well • Presented prioritised needs at a reasonably high level 	<ul style="list-style-type: none"> • Explained reasonably well how it traded-off competing needs • Could have set out its reasoning in more detail in some places
<p style="text-align: center;">Wessex</p>	<ul style="list-style-type: none"> • Engaged with wide range of stakeholder • Tailored its approach • Could have explained its engagement process more fully in its plan 	<ul style="list-style-type: none"> • Adopted clear procedures for analysing stakeholder needs • Could have explained its reasoning in more detail 	<ul style="list-style-type: none"> • Presented a clear line-of-sight diagram • Could have explained its reasoning in how it traded-off stakeholder needs
<p style="text-align: center;">Western</p>	<ul style="list-style-type: none"> • Engaged with range of stakeholders • Tailored its approach • Explained its engagement activities well 	<ul style="list-style-type: none"> • Adopted an explicit methodology to analyse stakeholder feedback • Presented stakeholders' priorities clearly 	<ul style="list-style-type: none"> • Addressed each stakeholder needs clearly • Could have given more detail on rationale for prioritising some stakeholder needs

2. Background to our assessment

Assessment criteria

- 2.1 We said in our SBP guidance that we expected the routes/SO to engage with their stakeholders in developing their strategic plans. We were not generally prescriptive about how they should do this; we expected each route/SO to determine its own approach, taking into account the needs of its stakeholders and the methods it considered would be appropriate and proportionate.
- 2.2 Our SBP guidance listed five principles for good stakeholder engagement in developing the SBPs. These relate to three key aspects of engagement, as set out in Table 2.1.

Table 2.1: Key aspects of engagement against the principles for good stakeholder engagement

Key aspects of engagement	Principles for good stakeholder engagement in developing the SBPs
Scope and methods of engagement	The route's/SO's engagement has been with the full range of relevant stakeholders.
	The route's/SO's processes have encouraged meaningful engagement and have provided for reasonable mechanisms for challenge and escalation.
	The route/SO has provided for appropriate and relevant information and data to enable its stakeholders to engage in an effective and timely way.
Recording and analysis of stakeholder priorities	The route/the SO has documented the key points made by each of different stakeholders and how it has reflected on them (or, if not, why not).
Trade-offs of competing priorities and line-of-sight to commitments in the plan	The route/the SO has used evidence to trade-off competing priorities. This reflects the priorities of passengers and freight users (derived from new or existing passenger research and engagement with them (and/or their representatives)) and value for money.

- 2.3 Our principles for good SBP stakeholder engagement, as set out in Table 2.1, formed the criteria against which we assessed the quality of the routes'/SO's engagement.
- 2.4 These principles align with the wider principles that we expect the routes/the SO to follow in their engagement with stakeholders throughout CP6, namely that the engagement should be effective; inclusive; well-governed; and transparent⁵. The characteristics of good stakeholder engagement and what it can achieve are discussed in Box 2.1.

Box 2.1: What does good stakeholder engagement look like?

by Trisha McAuley OBE, ORR Consumer Expert Panel member



Effective and meaningful stakeholder engagement stems from having clear objectives about what you are trying to achieve – it is not an end in itself. It is also about fully understanding who your stakeholders are and why engagement matters.

A 'stakeholder' is any individual or organisation who believes they are affected by your decisions, so you have to think widely and from others' perspectives, and reach out beyond 'the usual suspects'. Good stakeholder engagement therefore starts with clearly understanding, defining, and comprehensively mapping who your stakeholders are.

'Engagement' sits near the top end of a spectrum; where informing is a one-way process and engagement is a two-way process that influences decision-making (note that each step builds on that to its left, so that, for example, engagement includes everything that collaboration does plus some more).



So, the engagement process needs to be the right one, and its outcomes need to be clearly reflected in a transparent line of sight, or 'golden thread', throughout the business plan so that stakeholders can see clearly why, how and where their input has made a difference.

But why does it matter and what can it achieve? It enhances stakeholder understanding and trust. It brings efficiencies through getting the service right from day one. It helps organisations identify critical issues quickly by providing an early warning system and sounding board. It improves the quality of decision-making by bringing wider perspectives to the table and, by doing so, provides a clearer rationale for the decisions that are taken. And if trade-offs are necessary, it ensures that the process has been transparent and evidence-based. This makes for sustainable decision-making and business benefits.

⁵ What we mean by each of these terms is set out in: Consultation on the overall framework for regulating Network Rail, Office of Rail and Road, July 2017. This may be accessed [here](#).

How we made our assessment

2.5 We based our assessment on the following evidence:

- the routes'/SO's strategic plans and accompanying supporting information;
- direct observations of the routes'/SO's engagement; and
- a stakeholder feedback survey and other comments from stakeholders and the routes/SO (including responses to our 'Invitation to comment on Network Rail's strategic business plans for CP6'⁶).

2.5 We commissioned SDG to conduct a targeted survey of the routes'/SO's stakeholders to gather their views on how well the routes/SO engaged with them⁷. SDG interviewed or obtained online survey responses from 41 stakeholders.

2.6 We have also taken advice on our assessment from a sub-group of the ORR consumer expert panel⁸. Members of the sub-group also contributed discussions of the purpose of stakeholder engagement, the use of research evidence in business planning and the importance of making the plans accessible to readers to this document (Boxes 2.1, 3.1 and 3.2).

⁶ This can be found [here](#).

⁷ Assessing the quality of Network Rail's routes'/System Operator's SBP stakeholder engagement, Steer Davies Gleave, June 2018. This may be accessed [here](#).

⁸ Our consumer expert panel is made up of individuals with a range of academic, advocacy, consumer research and commercial expertise who can review, challenge and advise on our business planning, regulatory policies, policy development, impact assessment and research agenda to help us develop clear and robust evidence of consumer outcomes in rail.

3. Our findings

- 3.1 This section discusses our findings on the strengths of and areas for improvement in the routes'/SO's SBP stakeholder engagement. We also highlight areas where the routes/SO adopted different approaches to engagement.
- 3.2 Our detailed assessments of the quality of stakeholder engagement carried out by each of the routes/SO is set out in its respective settlement document. They are also set out in Annex A to this document.

Strengths of the routes'/SO's SBP engagement

- 3.3 Stakeholder engagement carried out by all or most of the routes/SO had the following strengths.
- 3.4 **There was recognition of the importance of stakeholder engagement.** Each of the strategic plans discussed the route's/SO's stakeholder engagement activities and set out, in more or less detail, how the route/SO engaged with its stakeholders and how this influenced its plans.
- 3.5 **There was engagement with a good range of stakeholders.** On the whole, the routes/SO engaged with most or all of the relevant passenger and freight operators, as well as funders, passenger representative groups, local authorities and local enterprise partnerships (LEPs).
- 3.6 **The routes/SO sought to use a range of methods to engage.** Each of the routes/SO held at least one stakeholder workshop (although in some cases these were not open to all stakeholders).
- 3.7 **The routes/SO used a variety of additional engagement methods.** These included workshops, regular and ad-hoc bilateral meetings, existing multi-lateral meetings (such as RIRG meetings), 'drop-in sessions', 'deep dive sessions', 'light touch sessions', questionnaires, and emails. Some routes/SO took a proactive approach to tailoring their engagement methods to different stakeholder groups, including by asking their stakeholders how the route/SO could make the engagement work for them.

Areas for improvement in the routes'/SO's SBP engagement

- 3.8 There are some areas in which the routes'/SO's stakeholder engagement could be improved.

3.9 Establishing (more formally) an engagement strategy and communicating it to stakeholders. Some stakeholders commented that the engagement carried out by the routes/SO did not appear to proceed according to a clear plan. This resulted in confusion about what information stakeholders could expect to receive from the route/the SO (and by when) and, in turn, what feedback they needed to provide.

However, some routes/SO did communicate a timeline of their planned engagement activities, including when they planned to share successive drafts of their strategic plans. Taking this a step further by establishing an engagement strategy and communicating this to stakeholders, as the South East route did with its 'Stakeholder Management Plan', could help further improve stakeholders' understanding of and buy-in to the engagement process.

3.10 Making more use of draft scorecards to facilitate engagement. The routes'/SO's customer scorecards set out what they are seeking to achieve for their customers and are used to judge the extent to which they are doing this. In engaging with stakeholders on their strategic plans (including in the early stages of discussion), there may have been greater scope for the routes/SO to use draft scorecards to illustrate their different spending options, including on the merits of different spending options that involved trade-offs (e.g. nearer-term train performance against longer-term network sustainability). This could have been particularly useful to demonstrate the impact of different spending options on train performance, which might also have facilitated agreement on specific trajectories as the plan developed.

3.11 Developing and agreeing performance trajectories. Noting the fact that good stakeholder engagement will not always lead to unqualified agreement between the routes/SO and their customers, we see significant value in the routes agreeing their scorecard (including the relevant measures and their trajectories) with their customers, rather than having them determined by ORR. However, with the exception of Merseyrail and Caledonian Sleeper, as of early June 2018, no train operator has agreed these for the whole of CP6. This is particularly important for measures relating to train performance, as it is a key aspect of the service delivered to passengers and other end-users.

The failure of the routes and their customers to agree performance trajectories reflects, in part, the slow start that the routes made in engaging with customers on train performance (which Network Rail said was a consequence of the SoFAs being published later than was originally planned). In addition, some operators were focused on the levels of performance that were underlying their franchise, rather than framing the conversation around what, in practice, could be delivered over CP6.

The National Task Force has facilitated further discussion and challenge of the routes' proposed performance trajectories. For example, operators have identified some factors that may lead to significantly better train performance in CP6 that had not been reflected in Network Rail's proposed trajectories.

This suggests that the routes may have increased their chances of producing sound trajectories taking into account all relevant information, and potentially obtaining their customers' agreement to them, by beginning detailed performance discussions earlier and by doing more to elicit all relevant information from their customers.

- 3.12 **Making more explicit trade-offs of stakeholders' priorities.** The routes/SO may not be able to meet all of their stakeholders' needs with the funding available. It is important that they have a robust process in place for deciding whether (and to what extent) they will address each need and for demonstrating that their decisions represent good value for money and reflect the interests of end-users. They should also be transparent about how they have made these decisions.

This was generally one of the weaker aspects of the strategic plans. In some cases, the plans did not clearly acknowledge the fact that some stakeholder needs would not be fully met in CP6. In other cases, the route did acknowledge this but did not do enough to explain how it has decided to prioritise some needs over others.

Some routes/SO (for example, LNW and South East) developed a constrained base plan (the plan they will pursue given the actual level of funding expected to be available), supplemented by 'vision schemes' or additional investment options which would meet additional stakeholder needs that they would seek to pursue should additional funding be available.

The Wessex route traded-off competing priorities by using the MoSCoW approach to set out what stakeholder needs it 'must, should, could and won't' meet and segmenting these according to their importance and urgency (i.e. whether they were a priority for CP5, CP6 or CP7). The LNE&EM route was also clear about which stakeholder needs it will and will not be able to meet in CP6 and the reasons why.

- 3.13 **Giving stakeholders confidence that they can influence the plans.** Several stakeholders said that they perceived the routes'/SO's engagement activities to be opportunities for the routes/SO to communicate their established plans to stakeholders, rather than a genuine opportunity for stakeholders to influence the content of the plans. Some stakeholders commented that they had been given more of an opportunity to influence plans in PR13 than they had in PR18. However, others said that they had been given a real chance to contribute to CP6 planning.

Effective, inclusive, well-governed and transparent engagement that is carried out with genuine openness and a willingness to listen should give all stakeholders confidence that the process has value, even if they are not fully satisfied with its outcomes.

Contrasting approaches to engagement

3.14 This section discusses areas in which the routes/SO adopted different approaches to engaging with their stakeholders. The routes/SO may wish to consider the approaches adopted by others as they develop their own approaches, to the extent they consider it relevant and appropriate.

3.15 **How well the routes/SO understood their stakeholders and tailored engagement to meet stakeholder needs.** Some of the strategic plans demonstrated a good understanding of the route's/SO's stakeholders. For example, the Wales route strategic plan included a table listing the route's stakeholders and their level of interest in the route; the LNE&EM and Wessex routes' strategic plans included good stakeholder maps identifying their stakeholders; and the Anglia route explicitly segmented its stakeholder into groups, recognising that different levels and types of engagement are appropriate to each one.

In turn, the routes/SO differed in the way they tailored their engagement activities to their stakeholders. For example, the South East route consulted in advance on the agenda for its workshops, as well as seeking contributions to its presentation material, and the Wessex route obtained a good range of feedback from local authorities by sending them a briefing pack on its strategic plan and inviting their comments. Some other strategic plans offered less evidence that the route/SO thought about tailoring stakeholder engagement.

In some cases, different stakeholders have expressed significantly different views of the quality of engagement by a given route/SO. This may be in part due to differences in the expectations stakeholders had about the degree of influence they should have been able to exercise over the route/SO. While ensuring that their engagement is inclusive and that all stakeholders are heard, the routes/SO should, to the extent that is proportionate, engage with each stakeholder in such a way that meet that stakeholder's reasonable requirements.

3.16 **Attendance at the workshops.** In many cases, the routes/SO made their workshops open to all stakeholders. Some operators commented that this made workshops less useful to them, as discussion was not sufficiently targeted at their requirements. However, there may be some value in stakeholders understanding the priorities of the routes'/SO's other stakeholders.

Some routes restricted attendance at their workshops to certain stakeholder groups; the LNE&EM route said that it did this in an attempt to promote focused discussion. The LNW and Wessex routes, meanwhile, held separate workshops for different stakeholder groups.

Whatever decisions a route/SO takes about which stakeholders to invite to which workshops, it is important that they ensure their engagement remains inclusive, whether by holding different workshops for different stakeholders or by engaging some stakeholders through other means.

- 3.17 Engagement with suppliers and freight customers.** Some routes (including LNW, South East and Wales) engaged with suppliers as part of their engagement activities in developing their strategic plans. The Wales and LNW routes held dedicated suppliers' workshops. Other routes said that they expect to engage with suppliers further while developing their delivery plans.

While the FNPO engaged directly with freight operators and end users, there was generally little engagement by geographic routes with freight end-users (with the Anglia route being an exception). While this is not relevant to all routes, many other routes have large freight end-users in their geographic areas (e.g. ports, depots, etc.).

- 3.18 Timing of the engagement.** The routes/SO began their engagement at different times. For example, the LNW route began to engage some of its stakeholders on its CP6 plans as early as 2015, while other routes did not begin the process until much later.

Some stakeholders suggested that they were engaged too late in the planning process, arguing that the draft plans were presented as a 'fait accompli', with little opportunity for stakeholders to meaningfully influence them.

Other stakeholders suggested that some engagement took place too early in the process, when the plans were not sufficiently developed to allow stakeholders to provide relevant comments.

It is important that the right sort of engagement takes place at the right time, and that stakeholders are kept informed and their views are sought at different stages of the engagement process as appropriate. As noted above, the routes/SO should develop a plan for how their engagement will proceed and communicate this to their stakeholders.

- 3.19 Information sent to stakeholders.** The routes/SO should provide their stakeholders with appropriate and timely information to allow them to participate in the

engagement process. This will also help stakeholders with their own business planning.

Stakeholders reported varying experiences of when and how they received information from the routes/SO. Some stakeholders commended particular routes/SO for providing information well in advance of the relevant meetings, while others said that they received information too late, or only after requesting it.

Similarly, some stakeholders said they were satisfied to receive draft plans and performance trajectories, while others reported requesting further information and not receiving it. As with engagement more broadly, different stakeholders are likely to have different requirements regarding the information provided to them, and the routes/SO should attempt to meet these to the extent that is proportionate.

3.20 Facilitating and dealing with challenge from stakeholders. Stakeholders should be able to challenge the decisions taken by the routes/SO, and the routes/SO should establish a mechanism to allow them to do this and to escalate their concerns where appropriate.

Some stakeholders reported that they were not satisfied with the way some routes/SO responded to specific concerns they raised with the plans. For example, some said they had written to a route/SO setting out their concerns but had not received a response, or that they received a response that did not give them confidence that their challenge was taken seriously.

In other cases, however, stakeholders suggested that routes/SO were open to challenge and listened to their concerns sympathetically.

It might be helpful for the routes/SO to establish clear procedures for how they will listen to and deal with challenges and how they will communicate the outcomes.

3.21 Dealing with refranchising. The LNW, Wales and Wessex routes' stakeholder engagement in developing their strategic plans coincided with re-franchising processes affecting those routes. This presented a challenge to ensuring that the priorities of the operators which will be in place on the route during CP6 were taken into account (either because the successful bidder had not been selected, or because their franchise period had yet to begin).

The routes adopted different approaches to dealing with this, which were in part determined by the stage the refranchising process was at. These approaches included engaging with stakeholders including prospective bidders for the franchise, the franchising authority, the incumbent franchisee, and the incoming franchisee.

3.22 Analysing stakeholders' needs. The routes/SO should adopt a sound method for analysing their stakeholders' needs and explain it in their plans. Some routes/SO clearly stated in their strategic plans what methodology they adopted for recording and analysing stakeholder needs. For example, the Western route strategic plan said that workshop feedback was "independently reviewed and analysed using either a grounded analysis methodology [...] or a SWOT analysis [...]", and the Wales route also set out its approach clearly. Some other routes/SO were less transparent on this point, which risks undermining stakeholders' confidence that their feedback was taken seriously.

3.23 Presenting stakeholder needs in the strategic plans. The routes/SO took different approaches to presenting their view of their stakeholders' needs. Some grouped the comments into themes (Western, Wales, Wessex), some by type of stakeholder (Anglia, FNPO, LNE&EM) and some by individual stakeholder (South East, SO, LNW).

Some routes summarised stakeholder needs at a high-level (for example, "More consideration of passengers"), while others went into a lot more detail (the Scotland route, for example, lists several very specific needs for individual passenger and freight operators).

While different approaches are likely to reflect the diversity of the routes'/SO's stakeholders and the way the routes/SO engaged with them, we found that, in some cases, the way stakeholder needs have been presented was unclear. For example, the stakeholder engagement section of the South East strategic plan presents stakeholder needs in a chart, a map and a table, with no clear link between them. It goes on to list further examples of stakeholder requirements in an appendix. This makes it difficult for a reader to follow how the route understood and reflected on its stakeholders' needs.

3.24 Understanding and responding to passengers' priorities. All of the routes/SO invited Transport Focus to give a presentation on the passenger perspective at a workshop.

The South East route commissioned new research as part of its CP6 planning process. It worked with Transport Focus to establish passengers' views on network sustainability, as these remained unclear following its workshops.

Other routes referred to existing research to varying degrees in their strategic plans (although in some cases the interpretation of the research by the route could be improved). However, some routes did not demonstrate how their plans were

influenced by an understanding of passengers' priorities, and by extension how they planned to deliver passengers' priorities.

In general, the routes/SO could have made better and more systematic use of existing research (Transport Focus' publications and the Passenger Demand Forecasting Handbook, for example) to inform their understanding of passengers' and other end- users' priorities. The importance of this is discussed in Box 3.1.

Box 3.1: Using research on end-users to inform strategic planning

by Rob Sheldon, ORR Consumer Expert Panel member



Network Rail's routes and the SO have placed a focus on engaging with their stakeholder, through workshops and other means, to inform the development of their strategic plans. This is an important component of any business planning.

The key challenges with any such engagement are to ensure that it is representative of all stakeholders, that it reflects the inevitable trade-offs transparently and that responses can be appropriately aggregated.

Such engagement can be valuably supported by primary research on end-users (i.e. rail passengers and freight customers). Additional research – if it is considered to provide value for money – can be designed to complement the stakeholder workshop output and to explore specific issues in detail where there is felt to be an information shortfall. A good example of this was the South East route's research into passenger views of asset sustainability to fill a gap the route had identified in its knowledge.

Much valuable information already exists, for example:

- Transport Focus' National Rail Passenger Survey (NRPS);
- The Passenger Demand Forecasting Handbook (PDFH); and
- Transport Focus' Rail Passengers' priorities for improvement.

Some of the strategic plans made good use of this existing body of knowledge, although care should always be taken to use data appropriately and to ensure that is not taken out of context or applied incorrectly.

A range of qualitative and quantitative approaches can, if required, be used to further build the evidence base and support decision making. These could, for example, be designed to explore market priorities and valuations as well as to determine the acceptability of proposed plans.

3.25 Demonstrating a line-of-sight between stakeholders' needs and the routes'/SO's commitments. It is important that readers of the strategic plans are able to see how the plans have been influenced by stakeholder needs – in other words, there needs to be a line-of-sight (sometimes referred to as a 'golden thread') between stakeholder needs and the action that the route/SO has committed to take in CP6.

The Wessex route strategic plan includes a useful line-of-sight diagram linking stakeholder needs to the route's CP6 priorities, its objectives and workstreams, and finally to 21 specific activities. This set out a complex matter in an accessible way and made it possible for the reader to see at a glance how the route's view of its stakeholders' needs influenced its decisions.

Some plans (such as LNW's) established a line-of-sight in other ways, such as by cross-referring to the sections of the plan in which certain stakeholder needs are addressed. However, in some cases it is difficult to see the link between the routes/SO's commitments and its stakeholders' needs.

3.26 Completeness and accessibility of the strategic plans. Some of the strategic plans do not provide enough information to allow a reader to fully understand the route's/SO's engagement activities and how they have informed its strategic planning. While our assessment has been informed by other information received from the routes/SO, this is not generally available to stakeholders and is not a substitute for adequate documentation in the strategic plans.

The Western route's strategic plan is a good example of setting out stakeholder engagement information clearly and concisely. The importance of making plans accessible to the reader is discussed in Box 3.2.

Box 3.2: How to make the strategic plans more accessible to readers

by Ray Kemp, ORR Consumer Expert Panel member



The Importance of Accessibility

It is desirable that strategic plans are accessible to a broad range of readers, given the diversity of different stakeholders (including those who do not operate train services, for example funders), the need for accountability to customers, the importance of transparency, and the need to promote confidence in the effectiveness of stakeholder engagement.

The underlying challenge of the strategic plans is to achieve a level of confidence and trust with key stakeholders and members of the travelling public. Making the strategic plans accessible to all who wish to be involved can play a role in meeting this objective.

How accessible are the routes'/SO's strategic plans?

Some plans made good use of plain English, limited the amount of 'industry jargon' and did not assume an excessive amount of industry knowledge on the part of the reader.

There were some good examples of the use of diagrams and charts that help to explain and clarify the relative importance of issues and targets for the reader.

Some routes/SO achieved a clear explanatory thread in their strategic plans for readers to follow, for example by way of a line-of-sight diagram. This is despite the difficulty of doing so when presenting complex and technical information. Some of the short summaries of the plans made available by Network Rail represented a good attempt to make the plans accessible to a broader audience.

However, there is room for improvement in the way some routes explained what engagement activities they carried out and particularly how this influenced their plans

Overall, a balance needs to be struck between communicating the information the routes/SO think is most relevant and answering the questions different audiences might want to have answered. This is no simple task, but it is worth doing.

4. Stakeholder engagement in CP6

- 4.1 Our expectations for how the routes/SO should engage in CP6, and our thinking on how we will assess this, are set out in Chapter 3 of the [PR18 draft determination: overview](#).

Appendix A: Findings of our assessment by route/SO

Anglia route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The Anglia route engaged with a good variety of stakeholders. This included engagement with port stakeholders (reflecting the significance of inter-modal freight traffic to the route) and Highways England.
2. The Anglia route used a variety of methods to engage stakeholders. The route engaged via workshops, briefings, questionnaires, 'light-touch sessions' (covering issues such as coordinating improvement work with neighbouring operators) and 'deep dive' sessions.
3. The Anglia route's workshops incorporated presentations from operators, as well as from the route and Transport Focus. Some operators commented that the workshops were ineffective, in part because the broad range of stakeholders present prevented sufficient attention being given to operators' priorities. However, other stakeholders said that the route's engagement activities worked well.
4. In communicating how the route engaged with its stakeholders, the Anglia route's plan included a good summary table listing the stakeholder groups, the stakeholders in each group, why they are a stakeholder, and how the route engaged with them. The route has put a focus on engaging on how it will deliver its CP6 plan and how it will minimise any disruption caused by engineering works.
5. Overall, the Anglia route seems to have adopted a **well governed** and **inclusive** approach to engagement, showing a good understanding of its stakeholders and applying a range of approaches depending on the stakeholder group and purpose of engagement. However, the route's engagement may in practice have seemed more **effective** to some stakeholders than others.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

6. The Anglia RSP listed some prioritised stakeholder needs, but did not explain how these were chosen over other needs. The RSP also explained how the route proposed to address each prioritised stakeholder need.
7. The supporting information supplied with the Anglia RSP includes a clear summary of feedback received at the workshops, setting this out in detail as well as summarised

into themes. However, stakeholders have expressed mixed views on whether and how the route recorded their priorities and reflected them in its plan.

8. The Anglia RSP did not refer to research on passengers' priorities or discuss how the route had reflected on this to ensure its RSP met the needs of passengers.
9. While the Anglia route appears to have recorded the feedback received at the workshops well, it could have been more **transparent** about how this and other feedback was analysed into the prioritised needs included in the RSP.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

10. The Anglia RSP did not clearly explain how the route traded-off competing stakeholder priorities to decide which ones to act on, and did not do enough to demonstrate a line of sight between stakeholders' needs and the route's commitments for CP6.
11. Stakeholders reported that they were given the opportunity to give feedback to the Anglia route and challenge its plans, but were not all convinced that this mechanism was effective.
12. In general, the Anglia route could have done a better job of **transparently** communicating the outputs of its engagement process to its stakeholders.

Freight and National Passenger Operators route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The FNPO route engaged with a good range of stakeholders, including freight and passenger operators, end users, charter operators and prospective open-access operators.
2. The FNPO route used a reasonably good range of approaches to engage its stakeholders, hosting six CP6 stakeholder workshops as well as engaging through a range of other forums. Each workshop was aimed at either freight or passenger operators (including prospective open access operators). The workshops appear to have been well run and to have given stakeholders adequate opportunity to provide input. However, the FNPO RSP did not explain in detail what engagement processes the route followed.
3. Stakeholders have reported receiving the relevant drafts of the FNPO's RSP over 2017, but raised concerns that the governance arrangements for making changes to drafts needed improvement, together with the process for agreeing and proposing changes to customer scorecard requirements.
4. The Rail Delivery Group (RDG) and a group of freight operators have written to the FNPO route expressing general support (albeit with some qualifications) for its strategic plan, as well as saying that they understand the reasons for the route's difficulty in engaging with freight operators in autumn 2017 (citing the later than envisaged delivery of the SoFAs and the need to ensure internal alignment and consistency across a suite of devolved SBPs).
5. The FNPO route's engagement was **inclusive**. However, it should have been more **transparent** in setting out its engagement activities in its plan, which could have given greater confidence that the process was **well governed**.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

6. The FNPO RSP included long and detailed discussions of the needs of each of its customers or customer groups. However, it did not clearly summarise what the route saw as the key needs of its stakeholders, or demonstrate a link between the outputs of its engagement activities and its understanding of customer needs as set out in the plan.

7. The FNPO route made good use of research evidence to inform its understanding of its stakeholders' needs, including presentations at workshops, consultancy input on the freight market and Transport Focus research on passengers' priorities.
8. While the FNPO route's use of evidence was strong, it could have been more **transparent** in setting out how its engagement activities have influenced its understanding of stakeholders' needs.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

9. The FNPO RSP included little discussion on how the route traded off competing priorities. The plan could also have offered more explanation of what the route intended to do to ensure that the geographic routes act to meet the route's stakeholders' needs.
10. The FNPO could have done more to demonstrate a line-of-sight between its understanding of its stakeholders' priorities and the actions it has committed to for CP6.
11. In general, the FNPO RSP could have made it clearer how the FNPO route's engagement has been **effective** in influencing its plans for CP6.

London North Eastern & East Midlands route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The LNE&EM route engaged with a range of stakeholders but lacked engagement with freight end users and external suppliers.
2. The LNE&EM route said it intentionally limited the range of stakeholders it invited to its workshops in order to promote focussed discussion. This is an interesting approach, but it could have been supplemented with other forms of engagement to ensure that all stakeholders had an opportunity to provide input.
3. The LNE&EM route held six CP6 stakeholder workshops across three geographic areas. It also held a number of bilateral meetings with TOCs and FOCs and secured dedicated market research to establish the needs of local enterprise partnership stakeholders.
4. Some of the LNE&EM route's stakeholders have expressed concerns with the route's engagement process. These included that the route did not set out a clear strategy for gathering stakeholders' views, and that the process seemed more like a presentation of the route's plans than a genuine opportunity for stakeholders to influence them.
5. In presenting its understanding of who it has engaged with and how, the LNE&EM RSP included a good stakeholder map and explanation of its engagement activities.
6. The LNE&EM route's engagement appears to have been somewhat **well governed**, in that it has demonstrated a good understanding of its stakeholders and presented a rationale for the ways it engaged with them. However, its engagement could have been more **inclusive** by ensuring that all relevant stakeholders were engaged with.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

7. The LNE&EM RSP included a "you said, we did" table setting out 23 specific stakeholder priorities and what the route has done or planned to do in response to them. The stakeholder engagement section of the RSP also listed further specific stakeholder priorities grouped into 'areas' and explains how the plan addressed them and the limitations on this. Furthermore, the supporting information supplied with the RSP included a log of feedback recorded at the workshops.
8. However, the LNE&EM RSP did not set out the route's understanding of the priorities of passengers and other end users, or what the route planned to do to meet them.

9. The LNE&EM RSP could have explained more **transparently** how the route narrowed down the full range of stakeholder feedback received to the particular items discussed in the plan, although some **transparency** is achieved by listing a number of priorities and the route's responses to them.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

10. The LNE&EM RSP acknowledged which stakeholder needs the route would not be able to meet and explained what the route would do to mitigate the consequences of this. This suggests that the route has traded-off competing stakeholder priorities, but there is limited explanation of how this was done.
11. The LNE&EM RSP demonstrated some line of sight between stakeholders' needs and the route's commitments for CP6 by cross-referring to parts of the plan where certain stakeholder needs are dealt with.
12. By discussing how it has traded-off competing priorities and showing a line-of-sight to commitments in its plan, the LNE&EM route has shown that its engagement was at least partially **effective**.

London North Western route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The LNW route engaged with a range of stakeholders including a large number of suppliers. The route's engagement was **inclusive**.
2. The LNW route began its engagement on its plans for CP6 in October 2015. It organised five stakeholder workshops and an additional workshop for suppliers (although the latter did not take place until January 2018, which may have limited the extent to which suppliers' views could have been reflected in the plan).
3. The LNW route sought to tailor its engagement approach to its different stakeholders. Two stakeholder workshops were aimed at operators, while the other three targeted local authorities and local enterprise partnerships. Passenger transport executives, funders, RDG and Transport Focus attended both sets of workshops.
4. The LNW route also discussed CP6 planning with its stakeholders at existing groups such as Route Investment Review Group (RIRG) meetings (including a special session purely on CP6 renewals proposals for track and signalling), other regular meetings and a number of specific bilateral meetings. The route also attended the FNPO route's stakeholder workshops.
5. Stagecoach Group (on behalf of Virgin West Coast) has expressed reservations on the effectiveness of the LNW route's engagement and said that engagement in advance of CP5 was better. In response, the route has said that it held many meetings with Virgin Trains and gave it opportunities to provide formal feedback, which were not taken up. The route also listed eight ways in which stakeholder feedback led to changes in its RSP.
6. Other stakeholders took a more positive view of the LNW route's engagement, with CrossCountry describing the workshops as 'best practice'. However, Chiltern said that the route's workshop took place too early in the planning process. With respect to this, it is worth noting that both stakeholder workshops aimed at operators took place in February 2017, with those targeted at local authorities and local enterprise partnerships taking place later in the year.
7. A re-franchise process took place in parallel to the development of the LNW RSP (whereby the West Midlands Franchise was awarded to West Midlands Trains in August 2017, replacing the incumbent franchisee in December 2017). Abellio (representing West Midlands Trains) said it was surprised that the route had not made any effort to engage with it in advance of taking over the franchise. However,

the route has said that it continued to engage with the incumbent franchisee until December 2017, and that many of the individuals it engaged with continue to work for the new franchisee. It has also said that Abellio attended its February 2017 workshop in London.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

8. The LNW RSP lists 16 'prioritised needs', but does not explain the rationale or methodology for identifying them.
9. The LNW RSP stated the extent to which each 'prioritised need' could be addressed, although in some cases, the RSP could have been more specific about exactly what it is committing to do.
10. An appendix to the LNW RSP listed 25 themes of the stakeholder feedback received from the workshops, although there was no commentary on how this list was consolidated into the list of priorities in the main body of the RSP.
11. The supporting information supplied with the LNW RSP included logs of issues raised by stakeholders, stating the owner of each issue within the route and, for some of the issues, the route's response.
12. The LNW route included a specific section on passenger priorities in its RSP. This referred to two Transport Focus reports, but the engagement with the findings and explanation of how they have influenced the RSP was limited.
13. The LNW route showed good **transparency** in how it recorded stakeholder comments, although it could have been clearer about the process it followed to prioritise them.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

14. The stakeholder engagement section of the LNW RSP did not clearly discuss how the route traded-off competing priorities for CP6. Appendix D of the RSP listed a number of additional investment options that the route could have pursued in the event that it had more funding, and stated that some of these were based on stakeholder feedback. However, the RSP did not explain why some stakeholder needs were addressed in the core plan and why some were reserved as options in case more funding was available.

15. The LNW route did seek to demonstrate in its RSP a line-of-sight between stakeholder priorities and actions: for each stakeholder issue listed in Appendix G of the RSP, the RSP gave a reference to where in the RSP the subject matter of the issue was dealt with.
16. The LNW RSP went some way towards demonstrating that the route's engagement was **effective**.

Scotland route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The Scotland route has engaged with a good range of stakeholders.
2. The Scotland route used a reasonable range of forums to engage with its stakeholders, including specific CP6 workshops, Route Investment Review Group (RIRG) meetings, and detailed sessions with ORR and Transport Scotland. Local authorities (represented by Regional Transport Partnerships) were engaged through the Long Term Planning Process (LTPP) Regional Working Groups.
3. Two stakeholders reported that the Scotland route's workshops were useful, although one said that it was unable to attend because it was not given enough notice.
4. The Scottish Ministers have produced a detailed high level output specification (HLOS) for CP6, which was informed in part by advice and studies provided by Network Rail to the Scottish Government. The Scotland Route Study and 'Investing in the Future' in particular were developed through significant engagement with stakeholders. This may have reduced the degree of additional engagement that it was proportionate for the route to carry out.
5. Overall, the Scotland route's engagement was **inclusive** and quite **well governed**.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

6. The Scotland RSP) included an appendix setting out Transport Scotland's priorities as set out in its HLOS, with links to where these are dealt with in the plan. It also presented a list of detailed operators' priorities, but did not reflect on these individually.
7. The Scotland RSP presented data on passengers' priorities for improvement in Scotland well, referring to Transport Focus' 'Rail passengers' priorities for improvement' November 2017. However, the route could have engaged with these priorities more constructively; it arguably placed too much emphasis on noting things that are already planned (and which are likely to address some of these priorities), rather than considering what the route could have done to further improve the passenger experience.
8. The Scotland RSP showed good **transparency** in setting out the route's stakeholders' needs, although it could have been clearer about how the prioritised

needs identified were derived from the various sources of information on stakeholder requirements.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

9. The alignment between the Scotland RSP and the HLOS is set out clearly and thoroughly.
10. The Scotland route's plans to address some of the key customer priorities identified can be understood by reading the strategic plan in full, and some others are dealt with in the SO's and FNPO's plans.
11. However, the Scotland route could have better demonstrated that its engagement was **effective** for all stakeholders by including a short summary explaining how the route planned to address (or not) each priority and its reasons for doing so (cross-referring to other plans where necessary). This would have ensured a clearer line of sight between stakeholders' priorities and what the route was planning to deliver in CP6.

South East route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The South East route used a variety of methods to engage a good range of stakeholders, and sought to tailor its engagement to the needs of different stakeholders. For example, it held two workshops in February 2017 focused on different parts of the route, and followed this with a 'drop-in session' open to all key stakeholders. Other means of engagement included a written questionnaire, presentations at Route Investment Review Group (RIRG) meetings and regular and ad hoc bilateral meetings.
2. Several stakeholders, including operators and local authorities, praised the quality of the South East route's workshops. Southeastern reported that the route consulted it on a workshop agenda; this may have helped the route to ensure that the workshop met its stakeholders' needs.
3. The South East route adopted a stakeholder management plan, establishing accountability for different aspects of engagement and discussing its activities in some detail, although this was not issued until May 2017.
4. The South East route's engagement was **well governed** and **inclusive**.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

5. The South East RSP set out 'key themes' and stakeholder requirements in a number of places, but the relationship between them, and the process that the route employed to highlight these requirements over others, is unclear. However, the route did a good job of explaining what it planned to do to address some of these requirements.
6. For example, the supporting information provided with the South East RSP included a requirements and responses log setting out in detail the requirements expressed by their stakeholders and the route's responses to them.
7. Stakeholders have reported that the South East route did a good job of recording and reflecting on their priorities, even where they were not happy with the contents of the final strategic plan.
8. The South East route also sought to secure passengers' input to the plan. It worked with Transport Focus to carry out research on passengers' views on asset

sustainability, saying that this was the only area in which passengers' views remained unclear following the workshops.

9. The South East route demonstrated good **transparency** in its engagement, particularly in its detailed requirements and responses log. However, it could have been clearer about how it analysed these recorded requirements as a whole to arrive at its view of which were priorities.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

10. The South East RSP was upfront about the fact that the route could not meet all stakeholder requirements with the funding available. For some stakeholder requirements, it explained how the route would address them in its constrained base plan and how it would address them under a 'vision scheme' (where more funding was available to it). However, the plan was not sufficiently clear about which stakeholder needs the route was unable to meet.
11. The South East route could have done more to demonstrate a line-of-sight between its stakeholder priorities and the actions that it has committed to in CP6.
12. The South East route could have done better at demonstrating that its engagement was **effective**, by showing more clearly how the stakeholder needs it identified influenced its plan, although the identification of a constrained base plan and vision scheme goes some way towards this.

System Operator

1. **Scope and methods of engagement** refers to which stakeholders the SO engaged with and how well it did this. We found that the SO's engagement was generally well governed, although it could have been more inclusive:
 - the SO engaged with a good range of stakeholders, reflecting the variety of parties impacted by its decisions. However, we have no evidence of engagement with external suppliers, including providers of its timetable planning systems;
 - the SO tailored its engagement to the needs of different stakeholders. For example, it has used one to one meetings, workshops, existing groups (such as the Planning and Operational Group and the Operational Planning Strategy Group within the National Task Force), and email correspondence to engage with different stakeholder groups;
 - the SO gave its stakeholders the opportunity to understand and influence its developing strategic plan by sharing drafts and inviting comments in May and December 2017. It demonstrated good transparency in setting out and responding to the feedback on its December 2017 plan from the stakeholders who were able to respond within the deadline set by the SO; and
 - some stakeholders commended the openness and transparency of the SO's engagement process. However, some stakeholders said that that engagement started too late or that they had not been engaged to the extent that they would have liked (DfT, in particular, said it had not had sufficient opportunities to influence the plan earlier in the process).

2. **Recording and analysis of priorities** refers to how well the SO recorded, analysed and reflected on its stakeholders' priorities. We found that the SO was transparent in how it recorded and reflected on individual stakeholders' needs in its requirements and responses log, though some of the analysis presented in the plan could have been clearer:
 - the SO's strategic plan lists 24 things that different stakeholder groups have said they need from the SO, and consolidates these into nine different priorities. For each priority, the strategic plan says what the SO plans to do to address them by the end of CP5 and in CP6;
 - however, the plan could have been clearer about how stakeholders' priorities relate to each other. For example, the plan includes an appendix to the strategic plan that lists 25 "core messages from our customer consultation" and states what action the SO will take in response to them. These do not clearly link to

the 24 items or the 9 priorities listed in Section 3 of the plan, but rather set out high level summaries of stakeholder comments on each aspect of the operating model;

- the SO carefully recorded and reflected on its stakeholders' priorities. In its supplementary information, the SO provided a requirements and responses log setting out in detail the comments expressed by stakeholders at the workshops and the SO's responses to them;
- while the plan's treatment of stakeholder priorities is fairly comprehensive, it was confusing and could have benefitted from more explanation. For example, the link between stakeholder needs listed in Section 3 of the plan and the core messages from customer consultation in the appendix is unclear; and
- the plan does not explain whether or how the SO used research data to inform its view on passenger requirements.

3. **Trade-offs and line-of-sight** refers to how well the SO has demonstrated a robust process for deciding between competing stakeholder priorities, and how well it has established a line-of-sight between stakeholder priorities and the actions it has committed to in its plan. We found that the plan could have done more to demonstrate clearly that the SO's engagement has been effective in influencing what the SO will and will not do in CP6:

- the plan set out in some detail the action the SO planned to take to meet its stakeholders' priorities; but
- it could have been clearer about whether there are any stakeholders' priorities it has not been able to meet, and if so why it is unable to do so.

Wales route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The competition for the new Wales franchise was ongoing during the route's engagement process. The Wales route recognised that it would need to treat Transport for Wales as the proxy for the principal TOC due to the timing of the franchise award and to help it to capture the priorities of end-users in Wales. It also invited franchise bidders to participate in the engagement process.
2. The Wales route engaged with a range of stakeholders including local authorities and suppliers. It held a separate suppliers' workshop in April 2017 and followed this up by establishing a Delivery Integration & Efficiency Team formed of the route, IP and the supply chain to work on the outcomes from the workshop.
3. The Wales route held two CP6 workshops to which all stakeholders were invited. The route also adopted targeted methods for engaging with elected representatives and community rail groups, and engaged with TOCs and FOCs using a variety of methods. The route gave its stakeholders a dedicated email address to use for CP6 planning related issues.
4. Stakeholders' views on the effectiveness of the Wales route's workshops were mixed. Transport for Wales said that the format was relaxed and fairly open to input. However, the Welsh Government said that there was limited opportunity for stakeholders to engage in discussion at the first workshop, but that this was better in the second workshop.
5. Stakeholders reported mixed views on the level of information they received during the engagement process. Transport for Wales and Amey reported respectively that this was "somewhat useful" and "very useful", while the Welsh Government said that it had asked for additional information and not received it.
6. The Wales RSP provided a good table listing each stakeholder and stating whether and how they have been engaged and what their level of interest in the process was. The RSP also included a good explanation of the purpose and content of its stakeholder workshops, and the route appears to have engaged according to a plan.
7. The Wales route's engagement seems to have been **inclusive** and generally **well governed**.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

8. The Wales RSP presented stakeholder needs grouped into ten themes, and it explained the two-stage process the route used to do the grouping. These themes were expressed at a very high-level, which makes it difficult to understand how the more detailed stakeholder priorities have been dealt with.
9. The Wales RSP discussed how the route proposed to address each priority theme, linking them to short- and long-term route objectives and giving each of them a RAG rating for achievability. All themes with a red or amber ratings are accompanied by an explanation of why they had that rating.
10. The supporting information provided alongside the Wales RSP included a record of feedback received at the February 2017 workshop.
11. The Wales RSP was not clear about how the route had informed its view of passengers' priorities and how it reflected on what it plans to do to meet them.
12. The Wales route showed good **transparency** in explaining its process for grouping stakeholder needs into themes, although it could have set these out in more detail.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

13. The Wales RSP did not explain in detail how the route traded-off competing stakeholder priorities, and it could have been clearer about which stakeholder needs the route was not able to meet (although the RAG ratings do go some way towards addressing this).
14. The Wales RSP said that expectations for a safe, reliable, affordable and growing railway would form the core of the route's CP6 plan, and that the outputs of the route's stakeholder engagement would be "used to make subtle adjustments to elements of our plans to exceed our customers' expectations".
15. To some extent, the Wales RSP established a line-of-sight by linking prioritised stakeholder needs to the route's short and long-term objectives. However, it could have gone further in linking to this to concrete actions the route will take in CP6.
16. The Wales RSP could have more clearly demonstrated that the route's engagement was **effective** by explaining in more detail how engagement has influenced its plans for CP6.

Wessex route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. South Western Railway took over the Wessex franchise in August 2017, and the Wessex route has had to deal with the change of franchise while undertaking its engagement activities. The route has assessed the 'collaborative maturity' of its relationship with South Western Railway (rating it as moving from 'exploring' to 'defined', the second and third points on a five point scale) and has committed to improving this.
2. First Group, South Western Railway's owning group, noted that the Wessex route engaged with it informally prior to August 2017, but suggested that the route should have followed a more controlled process with set dates and timescales. It also suggested that the route should have done more to engage the incumbent franchisee. The route has responded that it did engage with the incumbent franchisee, that it invited First Group to its February 2017 workshop and that it engaged with South Western Railway's executive team as soon as it was announced.
3. The scope and methods of engagement used by the Wessex route are unclear from its RSP, but based on supporting information supplied with the strategic plan and at route challenge meetings, we can see that the route has used a good variety of methods to engage with its stakeholders (including workshops, email, board meetings and liaison meetings). It held two separate workshops, one for operators, and another for local authorities and representative bodies.
4. The Wessex route circulated a briefing pack on its RSP to a range of local authorities for comment in August 2017 and received a good range of responses. The RSP also included a good stakeholder map identifying who its key stakeholders are.
5. The Wessex route's engagement was **inclusive** and **well governed**. However, the route could have been more **transparent** in setting out its engagement processes in its strategic plan.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

6. The Wessex RSP listed several stakeholder priorities, but did not link these to stakeholders or groups of stakeholders.
7. The Wessex route analysed its stakeholders' needs by using the methodology of MoSCoW principles to break them down into ones that it 'must, should, could and

won't meet, and placed the needs that it considered it must, should or could meet on a chart according to their importance and urgency (that is, whether they need to be met in CP, CP6 or CP7). This gave a clear picture of the route's views of its stakeholders' needs, but the RSP could have explained in more detail how these specific views were arrived at.

8. The Wessex RSP also identified three "highest collective stakeholder priorities", but did not explain why those three were chosen.
9. The Wessex RSP referred to evidence gathered by route studies, the National Rail Passenger Survey (NRPS) and the National Freight Strategy. It could have been clearer about how these sources influenced the route's plans for CP6 and the extent to which they were a complement to or a substitute for direct engagement with stakeholders.
10. The Wessex route's adoption of clear procedures for analysing its stakeholders' priorities suggests that the route's engagement was **well governed**. However, it could have been more **transparent** in explaining how it arrived at the three "highest collective stakeholder priorities", which would have added confidence that the engagement was **effective**.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

11. As noted above, the Wessex route used MoSCoW principles to analyse its stakeholders' priorities according to their importance and urgency. However, more explanation is needed on how this was done and how this analysis has been used to inform the route's decision making.
12. The Wessex RSP included a line-of-sight chart linking the three "highest collective stakeholder priorities" to the route's CP6 priorities, its objectives and workstreams, and finally to 21 specific activities. This would help the reader to understand how stakeholders' priorities have influenced the route's plans.
13. The Wessex RSP **transparently** demonstrated how the route planned to meet the three "highest collective stakeholder priorities", although the overall **effectiveness** of the route's engagement could have been better demonstrated by more fully explaining how the route identified those three priorities.

Western route

Scope and methods of engagement: Which stakeholders did the route engage with and how well did it do so?

1. The Western route engaged a good variety of stakeholders, in particular local authorities and local enterprise partnerships. However, there appears to have been only limited engagement with supply chain partners.
2. The Western route tailored its approach to its different stakeholders by adopting a 'multi-channel approach' to engaging with its stakeholders. This included workshops, bi-lateral meetings and online surveys.
3. The Western route started engagement early, with an initial briefing of the lead operator taking place in July 2016. It also adopted an iterative approach in sharing its views on the plan with stakeholders. For example, it held a series of workshops over February and March 2017 to gain insight into customer's priorities, and a further series of workshops in June 2017 to gain stakeholder views on the draft plan and scorecard. The workshops included presentations by senior route managers and break-out discussion groups. The route demonstrated a proactive approach by including 'you said, we did' sessions highlighting developments in the plan at later events in the series. The Western RSP explains its engagement activities fully and clearly.
4. CrossCountry commented that the Western route's workshops compared favourably to those held by other routes.
5. The Western route's engagement was generally **inclusive**. It was **well governed** and well documented.

Recording and analysis of priorities: How well has the route recorded, analysed and reflected on its stakeholders' priorities?

6. The Western RSP grouped stakeholder priorities into a number of themes reflecting the forum in which the feedback was received: workshops, bilateral, and routine engagement. However, comments are not linked to specific stakeholders or stakeholder groups. Stakeholder feedback is also presented in more detail in the supporting information supplied by the route.
7. The Western route adopted an explicit methodology for the analysis of stakeholder feedback (grounded analysis and SWOT analysis), which was carried out by an independent party. The RSP does not explain whether or how the route's views on passengers' priorities has been informed passenger research.

8. The Western route's adoption of a clear methodology for analysing stakeholder and its explanation of this in its RSP were **transparent**.

Trade-offs and line-of-sight: Has the route demonstrated a robust process for deciding between competing stakeholder priorities? Has it demonstrated a line-of-sight between stakeholder priorities and the actions it has committed to in its RSP?

9. The Western route has identified ways in which it could address each theme of stakeholder feedback, with several options listed in some cases. A further table is presented giving the route's response to some, but not all, of these themes.
10. The Western RSP explained that the route has balanced conflicting requirements "principally through qualitative assessment" and notes that there are some items referred to in stakeholder feedback which the route has been unable to take forward (whether because they conflict with other stakeholder requirements or because they are outside the scope of the process). However, the plan could have benefited from a more detailed explanation of how the route made its decisions on whether to take forward each individual stakeholder request.
11. The Western RSP did a good job of presenting a line-of-sight between stakeholder requirements and the Western route's commitments for CP6, setting out clearly what the route planned to do to address its stakeholders' needs.
12. The Western route has generally done a good job of demonstrating that its engagement has been **effective**. However, it could have offered more **transparency** on its reasoning on whether to take forward individual stakeholder requirements.



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