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Chair, Transport Select Committee  
House of Commons  
London  
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Dear Lilian,

Thank you for the early opportunity to appear in front of your Committee to discuss my priorities at Network Rail and my personal commitment to be on the side of passengers and freight.

The recent timetable difficulties and the interim findings of the Glaister Review have shown that, despite huge ambition and commitment, the rail industry has not been sufficiently focused on the needs of rail users.

I am very clear that the reason we exist is to move people and goods safely and efficiently and that everyone at Network Rail must put passenger and freight interests at the heart of all their thinking and decision-making.

This means continuing our strong safety record – worker and operational – while focusing relentlessly on improving day-to-day performance.

The coming months represent a one-time opportunity to do this. I am already leading a piece of work at Network Rail looking at how we should structure ourselves to deliver CP6 and provide the best possible service for passengers and freight. The Rail Review that Keith Williams is leading also offers the opportunity to align the whole industry with that focus on passenger and freight interests.

I very much appreciated the opportunity to set out my approach to the Committee and I wanted to come back to you on those areas where you requested further details towards the end of the session, including some questions around safety and our workforce at Network Rail.

I have set out below our approach to these issues and provided further information on performance in Greater Manchester raised by Graham Stringer and train delay targets raised by Steve Double.

I hope the below is helpful but please don't hesitate to get in touch if I can provide further information.

Yours sincerely,



Andrew Haines  
Chief Executive



## **Safety priorities and challenges including suicide prevention**

### Overall safety performance

Over the past few years, significant improvement has been made to Network Rail's health and safety performance. A strategy created for the start of CP5 set the target of working to get everyone home safe every day. That includes our workforce, passengers and the public who come into contact with the railway, for example at level crossings. Improvement over the last five years include:

- historically low levels of harm to our workforce, reducing by 39% since the start of the control period
- record low levels of measured train accident risk with no passenger killed in a train accident since 2007
- near record lows for the risk at level crossings with 1,143 closed since the start of CP4 and thousands made safer through new technology

Despite this progress, it is clear we must maintain the focus on improving safety and I've set out our work in important areas below.

### Workforce safety

From external benchmarking, it is clear we can reduce further the number of workers who are injured. Through better process, technology and compliance, we will both improve worker safety and be certain the railway is safe to re-open after work.

We are also working across the business to reduce manual handling injuries and slips, trips and falls. While as individual isolated incidents these have relatively minor impact, they affect the wellbeing of our people and cumulatively they also have a significant impact on the business.

### Passenger safety

Extensive work has taken place over recent years to reduce train accident risk, resulting in no passenger fatalities in the 11 years since the tragic Grayrigg derailment. However, we can never become complacent in this area.

Our infrastructure is now at its most reliable and our asset stewardship more thorough. But still too many of our risk controls, especially in the area of managing train operations, depend on humans doing their job absolutely reliably. People do make mistakes and I want to see greater resilience in our controls and processes to reduce the impact of human error.

### Level crossings

Level crossings remain one of the greatest vulnerabilities on our network. They are a relic of a bygone age and if we were building the railway anew today we would not build a railway with level crossings. I am pleased that our routes and the regulator have prioritised work in CP6 to continue reducing risk by closing level crossings where possible, replacing whistleboards with active warning systems, reducing dependence on telephoning a signaller, and tackling deliberate misuse.

## Trespass

We see more accidental deaths from trespass than any other cause. This is now recognised as a challenge not just for Network Rail but the wider industry. I will continue to make sure that Network Rail works closely with train and freight operating companies to reduce trespass. This includes running targeted campaigns at those most likely to trespass such as the recent "You vs Train" campaign in partnership with the British Transport Police (BTP) aimed at young men. Early evaluation of the campaign is showing this has made a real difference with changes in perceptions of risk amongst the target audiences and fewer trespass incidents in July and August this year compared to last.

## Suicide prevention

While accidental deaths are a significant challenge, sadly even greater numbers chose the railway to take their own lives. As you rightly noted during the session, lots of good work has been done to try to reduce the number of suicides.

But the impact on the thousands of passengers who are delayed, railway staff and the families of those who take their own lives and means we can and must do more. Working with The Samaritans, the BTP and our industry partners who manage most of the stations, we are engaging with local and health authorities, using our insight to focus where we believe we can make the biggest impact. We continue to explore ways to intervene with those considering suicide, capitalising on the almost 20,000 industry trained people and the people we have influenced through Small Talk Saves Lives. I am delighted to support the Million Hours Challenge that involves staff from across the industry volunteering their time to help address suicide and reduce its impact on the railway.

Routes have also taken a range of specific measures to try to prevent suicides, including:

- A number of routes including LNE, LNW and Anglia have enhanced patrolling/security activity. On Anglia, Land Sheriffs are very well known for their roving patrols. On LNW, static security guards are employed at all stations from Milton Keynes to Euston.
- Mid platform fencing is deployed on a number of routes and has been particularly effective on the Western route along the Thames Valley Corridor.
- Embedded BTP inspectors are used on a number of Routes including LNE. Amongst other activities they gather intelligence on suicidal activity, help manage suicidal individuals on 'Suicide Prevention Plans' and help the service return to normal operation after an event.

I am pleased that Network Rail has been able to lead the industry in tackling railway suicide and its causes and I want us to continue that valuable work. The Small Talk Save Lives campaign is making a real difference and the railway industry is now supporting other sectors with similar challenges.

## **Employee performance management**

At the heart of our performance management approach is the principle that all employees can contribute positively and personally to business objectives.

The process for achieving this starts with our performance scorecards. We have customer-focused scorecards for our geographic routes, key support functions and the freight & national passenger operator. These scorecards are created in collaboration with the Department for Transport and regularly reported on and reviewed.

Performance management at Network Rail is managed by two different approaches that are determined by role of the individual. These approaches and types of role can be described as 'frontline employees' and 'non-frontline employees'.

Frontline employees are those who work primarily in the maintenance and operations teams within our organisation. Non-frontline employees are colloquially described as those in bands 1-8, (band 1 being our most senior managers, bands 2 to 4 are generally professional roles and roles in bands 5-8 tend to have a more support-based focus). Roles are allocated to a band based on the Hay job evaluation methodology and bands inform base pay decisions.

The performance management approach for the approximately 15,000 non-frontline employees (bands 1-8) is relatively traditional. Managers and team members set SMART objectives, which are then reviewed through the year at 1-2-1 meetings and revisited formally at interim and end of year review meetings. At the end of the performance year, individuals are given a performance rating to reflect the level of their work over the previous performance year.

Frontline employees are encouraged to have an 'annual development review' with their immediate manager to talk about their strengths and areas for development, training needs and career aspirations. For some of our frontline employees maintaining track, safety and technical competencies occurs at the same time as reviewing performance; in practice due to the spans of control this is incredibly challenging for our managers.

We recognise that the formal performance management process for our bands 1-8 could be improved. We would like to create an even stronger line of sight between business performance and personal objectives and to be clearer on accountabilities of performance management, as well as removing unnecessary bureaucracy from the process.

## **Managing skills within Network Rail**

Investing in our people is one of the most effective ways of improving the performance, safety and efficiency of the railway. We are an employer that values excellence in its people, aiming to recruit the best, and to develop our employees to reach their full potential.

We face a number of significant challenges including skills shortages and gaps resulting from historic under-investment and an ageing workforce demographic. We are also committed to increasing the diversity of our workforce.

### Addressing skills shortages

Skills shortages differ across Network Rail's nine routes although broadly these are technical and engineering roles. To help match the supply to demand, our group HR team is working to understand what Network Rail has, what it needs, and ultimately help the routes fill the gaps. This will be done through a combination of:

- identifying talent from other professions with applicable skills such as the emergency services
- succession planning for business critical roles, ensuring replacements for senior roles are identified ahead of departures
- conducting market analysis to identify availability and pinch points, looking across other parts of the rail sector and similar industries to forecast demand for the finite number of workers with particular skills
- actively developing the talent we do have to retain their knowledge in the business
- transitional career development where we support our staff who wish to have a change of direction by placing them on apprentice programmes
- actively working with our redeployment pool to help source new roles for them so we retain their knowledge and skill within Network Rail

The organisation has also created talent pools from the army where we can recruit skilled engineers into Network Rail.

Around 32% of Network Rail staff are over 50 years old and many have the potential to retire over the next 5 to 10 years. While this is a significant number and gives rise to concern around the ageing workforce, we are not currently seeing the number of retirements that were expected. With the abolition of the mandatory retirement age and the fact people tend to enjoy working in the rail industry, many stay while they are fit and able to do so.

### Apprenticeships

Network Rail has been leading the rail industry in apprenticeship training with the advanced apprenticeship scheme for engineering apprentices launched back in 2005. Rail is the first sector to have the full suite of approved apprenticeship standards for rail and rail systems engineering at levels 2 to 7. We see this route as an excellent vehicle to help upskill the industry for complex projects and new technology.

The advanced apprenticeship scheme is our biggest programme, recruiting more than 300 apprentices a year over two cohorts. Since the scheme's introduction, more than 2,000 apprentices have been trained who have gone on to join the frontline team of c. 20,000 engineers. The scheme has a far higher retention rate than the national average for engineering. 75% of those that complete the scheme choose to go into employment with Network Rail, compared to the national average for engineering of 55%.

There are currently 1200 people on a range of apprenticeship schemes which will grow to 2000 in the next few years, with 50% involving the upskilling of existing employees. We have an award-winning technician apprenticeship programme, in addition to offering more than 30 other apprenticeship schemes across our business covering engineering, operations and

cyber.

We know that diverse teams are more engaged, and we know that more engaged teams deliver better for passengers. A concerted effort has therefore been made to increase the number of females on our apprenticeship schemes. Our intake of females for our Level 3 technician apprentices for September 2018 was 22% - up 9% from our last cohort.

We would like to further broaden our offering, particularly around operations apprenticeships and we are working with industry colleagues to develop programmes including for operational planning, incident management and customer service.

### Training and development

We have 26 training centres across the UK and recently invested £23m in four new state-of-the-art workforce development centres. These workforce development centres in Stirlingshire, Kent, Bristol and Walsall allow us to train up to 100 of our frontline engineering and maintenance people at once. The new centres complement our main development centre at Westwood, near Coventry. Opened in 2005, it was designed specifically to deliver our professional skills development programme.

Our training programmes were created in partnership with Warwick Business School, one of the UK's top 10 business schools, and the Warwick Manufacturing Group: these are both part of the University of Warwick.

We also work collaboratively with our industry partners including the National Skills Academy for Rail, the National College for High Speed and the Rail Delivery Group to meet the future skills need for the industry particularly for the digital railway.

We have supported a number of university technical colleges (UTC) across the country to enable us to develop a future generation of engineers with the skills and knowledge that we will need to deliver our railway upgrade plans. A UTC is a secondary school for pupils aged 14-19 years old, which offers students a programme of study centred on STEM subjects.

As part of our work to increase the future talent pool of women engineers we also have an extensive early engagement programme of work. This includes a nationwide schools programme, delivering careers talks and mentoring by our teams of STEM and female engineer ambassadors. As an example, we will have provided 3,000 teenage girls from schools in Milton Keynes with careers advice on working on the railways by the end of 2018.

Currently 17% of our total workforce is female and these initiatives are starting to make a difference. 45% of our last graduate intake was female.

### **Maintaining strong industrial relations**

Around 60% of our workforce are members of the RMT, TSSA or Unite trade unions. Collective agreements are in place that regulate how we negotiate, consult and inform our unions on changes that affect our business and their members.

These agreements are underpinned by high level engagement at CEO, Route Managing

Director and General Secretary level. Meetings take place several times a year and regular dialogue is maintained to discuss current issues and seek early engagement on forthcoming challenges and activities. I have now met with the General Secretaries of the RMT and TSSA unions and a senior representative of Unite. This is my preferred approach and I shall seek as far as possible for negotiations to be conducted privately and in a courteous manner.

At a more local level, we have several hundred union representatives who work with local managers and HR teams to ensure that the views of our employees are heard and that both collective and individual rights of are respected. We also communicate with our employees through several direct channels including an employee opinion survey conducted at regular intervals.

Any disputes that may arise are managed through an agreed procedure where more senior managers and HR professionals become involved before the matter escalates. In the event of a ballot for industrial action the services of ACAS are also called upon to seek external support for resolution.

### **Review of performance and capacity across Greater Manchester**

Rail passengers across the Greater Manchester area have suffered unacceptable performance this summer. This was caused by a number of specific factors including the new timetable and disruptive upgrade work and not helped by some exceptionally hot weather. However, it has also underscored the need to address the underlying issues with the performance and capacity of the network across the north.

In the short term, Network Rail, TPE and Northern analysts are working closely together on extensive research to identify potential improvements to the current issues. This work has ~~already resulted in the following important measures being taken in recent weeks:~~

- Network Rail has introduced better processes to ensure trains presenting late at stations do not adversely impact other services that are running on time.
- More staff have been assigned to platforms 13 /14 at Manchester Piccadilly and at other key locations. This will help passengers get on and off trains more quickly than before.
- Northern have improved their train preparation work at depots to run morning services more effectively.
- Northern's interim timetable and their managed reintroduction of services has helped bring back much-needed stability to the network.

These measures are making a real difference to passengers' journeys in the north. In the week following the timetable change on 21 May, Northern services were on average 67% punctual. In the fortnight to 11 September, Northern services were on average 87% punctual.

But clearly far more needs to be done to improve performance and capacity in the long term.



Additional platforms at Manchester Piccadilly have long been considered as the best solution. Network Rail's Transport and Works Act application to the Secretary of State for the work that would allow the construction of two additional platforms at Piccadilly remains live. However, as I explained at the Committee, this would be an expensive, complex and disruptive scheme that would take a long time to bring to fruition. The Secretary of State has therefore rightly challenged us to look at alternative approaches to addressing the challenges.

Accordingly, DfT has remitted Network Rail to undertake a piece of work to assess the long-term infrastructure capability across Greater Manchester. This will refresh the assumptions behind the application for additional platforms at Piccadilly and identify potential options for improving performance and capacity across the region. We are at the early stages of the review which I hope will conclude by next summer when our findings will be provided to the DfT.

Separately, the DfT has also remitted Network Rail to look in detail at options around how digital Traffic Management technology may contribute to enhancements on the Castlefield Corridor. This work is currently underway with initial findings are expected to be reported to the DfT by February 2019.

### **Train delay reduction targets**

Further to my exchange with Steve Double MP, I wanted to confirm our target for delay reduction in CP6. As I said to the Committee, while there will be a significant increase in the number of train services over CP6 (2019-24), our plan, working in partnerships with TOCs, will achieve a 15 per cent reduction in the number of trains that are delayed.

We will write again to the Committee when our final plans and targets for CP6 have been confirmed by the ORR.

