

NEWS



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NETWORK RAIL CUTS TRAIN DELAYS BY OVER TWO MILLION MINUTES

£420M EFFICIENCY SAVING MADE IN LAST YEAR

NEW TARGETS RAISE THE BAR ON TRAIN PUNCTUALITY

New, tougher targets for train punctuality were announced by Network Rail today.

Launching its new Business Plan, the company showed that it is ambitious for Britain's railway by raising the bar on train punctuality after a year of tremendous success in cutting delays for passengers.

The company substantially beat its punctuality target in 2004/05, reducing delays by 2.2 million minutes, from 13.7m minutes to 11.5m minutes – a target-busting fall of 16%.

The independent Rail Regulator's target of 12.3m minutes was beaten by some 800,000 minutes. The new, even tougher targets mean that the pre-Hatfield level of punctuality (86.1% PPM) is expected to be achieved next year, in August 2006.

With the new targets, Network Rail aims to deliver additional reductions in delays each year, every year for the next four years. In total, the 'not for dividend' company intends to cut passenger delays by an extra 3.6m minutes – over and above the already demanding targets set by the Rail Regulator.

At the same time, Network Rail announced that its efficiency drive has achieved real results in the last 12 months. In total, a £420m efficiency saving was made during 2004/05, including: a £100m saving on operations; a £70m saving on maintenance; and a £250m efficiency saving on the renewals programme.

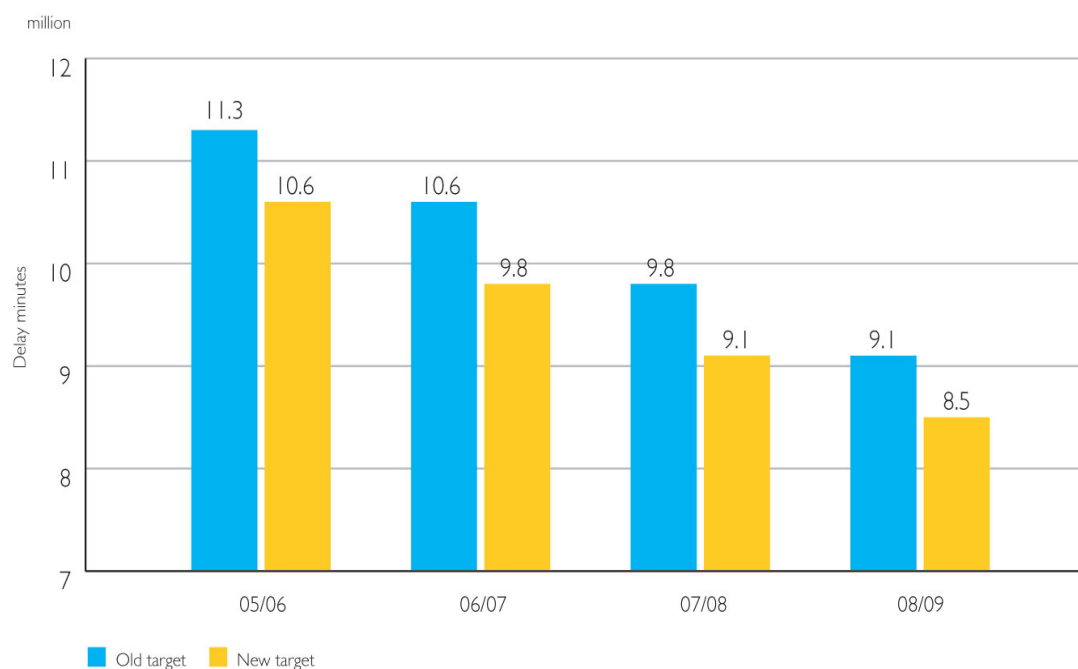
Speaking on the publication of the Business Plan, Chairman, Ian McAllister, said: “Network Rail is raising the bar on train punctuality. We’ve made substantial improvements in the last year and now we want to go even further, even faster. That’s why we’re making the targets even tougher, ensuring passengers should see improvements in punctuality well ahead of schedule.

“The two million-plus minutes we have taken off delays in the last year is a superb achievement, a testament to the efforts of our 30,000 employees and evidence of a much better working relationship with the train and freight operators.

“We’ve managed to beat the tough ORR-set targets by: taking maintenance in-house; rolling integrated control centres out across the network; and continuing our massive programme of rebuilding the railway. These initiatives are delivering real benefits to passengers.

“On top of the performance improvements, rapid progress is being made on efficiency too with a £420m saving in the last year. This has been done by improving the way we do our renewals and manage our operations and, of course, by bringing maintenance in-house. Further costs savings will continue to be made in the coming years as we strive to meet the challenging 31% efficiency target set by the ORR.”

The new delay minutes targets are as follows:



In addition to raising the bar on train performance, the 2005/6 Business Plan details record investment in Britain's railway, significant efficiency savings and fully-costed initiatives which will ultimately improve train punctuality.

The Plan reveals:

- Network Rail delays in 2004/05 are forecast to be around 11.5m minutes, compared to 13.7m minutes the previous year and against a target of 12.3m minutes. This means Network Rail delays fell by 16%
- The number of Trains classified as 'on-time' has risen to 83.5% on an annual average basis compared to 81.2% last year, and against a target of 82.8%
- The company will spend £20.5bn over the remaining four years of the control period, to continue the task of slashing delays and rebuilding the railway
- 2005/06 expenditure will total £5.5bn ensuring continued sustained investment
- £2.6bn to be spent on renewals in the next year, with around 570 miles of new rail to be laid – more than double the typical rate five years ago

- The roll-out of Integrated Control Centres is on schedule and already delivering a better service to passengers. To date, six of Network Rail's eight Routes benefit from integrated control, with the remaining two Routes to be covered during the next year
- Where Integrated Control Centres have been introduced, delays per incident have come down significantly – evidence of improved cross-working between Network Rail and train operators
- Further safety improvements continue, with broken rails at historically low levels and a further 8% reduction forecast for the next twelve months
- Plans to purchase a second high-tech New Measurement Train and other track inspection technology to supplement the high output track relayers and ballast cleaners that are contributing significantly to the rebuilding of the railway
- The freight market remains healthy with 14% growth forecast over the next four years
- A major investment in training and development, with new signaller training facilities open, a new apprenticeship scheme with 200 places being launched, and the creation of a management training school by the end of 2005
- The gradual transfer of responsibilities to Network Rail under the Government's *Future of Rail* White Paper is progressing well. Work is already underway on Network Rail's Route Utilisation Studies and from 4 April Network Rail will be responsible for reporting on overall industry performance to the Department for Transport

Ian McAllister concluded:

“Our plan for the future is clear and robust. By raising the bar on train performance and accelerating the benefits to passengers we're showing that we are ambitious for Britain's railways.”

ENDS

Notes to Editors

1. Network Rail is the 'not for dividend' owner and operator of Britain's railway infrastructure, which includes the tracks, signals, tunnels, bridges, viaducts, level crossings and stations – the largest of which we also manage

2. We are working to rebuild Britain's railway and provide a safe, reliable and efficient rail infrastructure for freight and passenger trains to use
3. The 2005/6 Business Plan and accompanying documents (including the summary, management plan, route plan and business planning criteria) are available at:
<http://www.networkrail.co.uk/companyinformation/businesspublications/businessplan2005.htm>
4. Our website: www.networkrail.co.uk

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