

Transport Committee

Oral evidence: [Rail investment pipelines: ending boom and bust](#), HC 575

Wednesday 7 May 2025

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[Watch the meeting](#)

Members present: Ruth Cadbury (Chair); Steff Aquarone; Dr Scott Arthur; Mrs Elsie Blundell; Olly Glover; Alex Mayer; Rebecca Smith; Laurence Turner.

Questions 1–58

Witnesses

[I](#): Sir Andrew Haines, Chief Executive, Network Rail; and Jeremy Westlake, Chief Finance Officer, Network Rail.

Written evidence from witnesses:

- [Network Rail](#)

Examination of witnesses

Witnesses: Sir Andrew Haines and Jeremy Westlake.

Q1 Chair: Welcome to this morning's evidence session, the first in our inquiry into rail investment pipelines. We are going to look at how to move away from boom and bust towards a planned, steady programme of projects and investments in railway stations, track and rolling stock.

Today, we will question the publicly owned rail infrastructure manager, Network Rail, and then two principal rail industry associations on the full range of the inquiry's terms of reference. The session today will set the scene for the further evidence sessions that will follow. Will our first panel of witnesses introduce themselves, please?

Sir Andrew Haines: Good morning. My name is Andrew Haines. I am the chief executive at Network Rail.

Jeremy Westlake: I am Jeremy Westlake, the chief financial officer at Network Rail.

Q2 Chair: Welcome. Sir Andrew, looking back on your career in rail, would you say that in the UK we invest effectively in our railway infrastructure?

Sir Andrew Haines: If you will forgive me for starting on a pun, we are definitely on a journey. I started almost 40 years ago—it will be 40 years in September—and at that time we had been through 60 almost consecutive years of decline in passenger numbers. There was a very piecemeal and incremental approach to enhancement investment, and year-on-year cuts in maintenance and renewals. That created a vicious spiral of decline in passenger and freight usage.

In the 1990s, two very significant things happened. First of all, the railways were privatised. As part of that, they were broken up. In order to maintain private interest, the principle of five-year funding settlements was established, where a privately owned infrastructure operator could have confidence in an independently agreed, regulated five-year settlement. For the first time, that gave a five-year window in which you could plan maintenance, renewals and, at that time, enhancements, although it is fair to say that at the start of that privatisation journey there was no real plan for enhancements. The assumption was, to be honest, that numbers would continue to decline, or at least stabilise.

The second big thing that happened was that the economy of Britain shifted. We had a significant increase in population and more and more dependence on a service economy that was city centre-based. That meant that in the subsequent 20 years we had a more than doubling of passenger numbers. By the time we got to covid, asset failures on the infrastructure had halved. We were now one of the safest railways in the world. Customer numbers were very much bigger. Governments in Cardiff Bay, Holyrood and Westminster wanted to grow the network and enhance its capability. Passengers were expecting higher levels of service



HOUSE OF COMMONS

and there was commitment to very big infrastructure projects. All of that came with a big price tag, but we were left with a system that meant that it was very hard to squeeze additional capacity out of it. When inflation and passenger uncertainty came post covid, we ended up with two further seismic shocks.

Where are we now? We still have the benefit of the five-year settlement. We are in the last few years. We have seen inflation hit that, for the first time since the privatisation model was set up; it is the first time we have seen significant inflation. We have now seen the cost of inflation hitting some of those big, committed infrastructure programmes such as HS2, TRU and East West Rail. That has meant there is now real pressure on things that are not part of the core package. It is definitely better than where we were 40 years ago. There is a significant improvement in many ways, but I think we are absolutely hitting an inflexion point because of the combination of big infrastructure improvements and the impact of inflation on an ageing asset base.

Q3 Chair: Why does the rail industry describe the approach to rail investment in this country as one of boom and bust?

Sir Andrew Haines: It is not a term that I would use, but I think what is absolutely true is that the commitment on big programmes such as HS2 is very significant. We are probably spending more money on enhancements in our network than we have done for 100 years in real terms. Typically, it is about £7 billion a year on HS2 at the moment and about £1 billion a year on the Transpennine Route Upgrade for the next six or seven years. If East West Rail proceeds as planned, there will be about half a billion on that. If you are in those projects you are part of the boom, but if you are not in those projects the pipeline of funding available for other projects is much reduced. The second thing is that inflation has eaten into the value of our renewal settlement. Our regulatory settlement, although still a very good discipline, has been eroded by the impact of inflation.

Chair: We are going to be drilling down into more of the impacts of what many people call boom and bust, even if you don't.

Q4 Laurence Turner: Good morning. One of the issues we are interested in as a Committee is the future arm's length relationship of shadow GBR and what that will look like in practice. Thinking about the experience of Network Rail, and looking back over the last 10 years, there seem to have been occasions when the political timetable has overlapped with the control period timetable in uncomfortable ways. The delays to Great Western and midland main line electrification, for example, were only disclosed immediately after the 2015 election. The current Government say that there was a significant funding gap on some transport projects. Have you ever been under pressure, or has the organisation been under pressure in your time, to announce certain projects before time, or to withhold information from disclosure in respect of political pressure?



Sir Andrew Haines: That is quite an easy one for me. No. That is partly because, I guess, I arrived just as the separation of renewals and enhancements funding had taken place. From 1 April 2019 enhancement funding was directly controlled and released by the Government. Those decisions are, in any case, matters for Government and not for us as Network Rail.

What is absolutely true is that, in the five years prior to that, we saw renewals and maintaining the core railway cut back because of the increasing cost of some of the big schemes, such as Great Western electrification. Prior to that 2019 point, there was an overall spending cap for both enhancements and renewals. There were definitely some trade-offs having to be made, but I have never had that pressure because those decisions are not Network Rail's decisions to take.

Q5 **Laurence Turner:** And you are not aware of equivalent pressure, in your time, on the wider organisation. I know you said not for yourself.

Sir Andrew Haines: No, absolutely not. We have a very strong, independent regulator on the maintenance and renewals activity. They scrutinise in considerable detail our own expenditure, including ensuring that we do not drift into using that funding for enhancement purposes. It is one of the things that they are very keen to ensure that we ringfence.

Laurence Turner: That is a very reassuring answer; thank you.

Q6 **Rebecca Smith:** Can you briefly outline, in railway terms, the difference between renewals and enhancements, and what role Network Rail has in administering those? I do not know who the best person is to take that.

Sir Andrew Haines: I will start, but we will maybe move over to Jeremy.

Rebecca Smith: There are other questions as well, so there will be plenty to answer.

Sir Andrew Haines: The railways are probably almost unique in the breadth of our assets. We have some close to 200-year-old structures. We have modern signalling and we have 100-year-old signalling. We have track. We have earthworks. We have telecoms networks. They all have different factors that cause us to need to renew them. Some are literally life-expired. Some are performance risk; they could last but the failure pattern would increase. Some degrade, and therefore the risk of a safety incident, particularly with signalling, can be increased. Some relatively recent assets are now obsolete because of technology shift.

Those are the factors that determine renewal activity. What happens is that every five years the Government set out something called the SOFA—the statement of funds available—and we then have to agree with the regulator an appropriate combination of renewals activities within the fixed sum of money that the Government have identified. The regulator tests us to be efficient in that. We agree a broad scope of work—actually,



HOUSE OF COMMONS

quite a detailed scope of work—and then the regulator says, “And we expect you to do that, plus extra which you have to fund through being more efficient.” That is renewals activity.

Enhancements are things that, if you like, increase the capability or the quality of the network: an additional station, but even a platform extension; a line speed improvement; a new loop; a freight facility; or even a new footbridge at a station. They are all in the enhancement budget. That is not part of the settlement that the regulator agrees with us. Funding for that is agreed as part of the comprehensive spending review, with the Treasury issuing that typically on a three-year basis.

They are very distinct pots of money. Sometimes when we are doing enhancements of projects, we put in some renewals activity because it is a sensible way to do the work. For example, with the Transpennine Route Upgrade we are not replacing all the track, but it is a sensible time to renew some of it. The funding is controlled very discretely and distinctly.

Q7 **Rebecca Smith:** There are a couple of specifics on the back of that. Do the Access for All projects come from the big settlement pot or is that enhancements?

Sir Andrew Haines: That is enhancements.

Q8 **Rebecca Smith:** Similarly, where would the funding for the now cancelled Restoring Your Railway project have sat? Where has that money, or the funding that existed in the beginning, gone?

Sir Andrew Haines: There are two things there. They are both enhancements funding because they add scope or quality to the system. Access for All tends to come with a ringfenced sum of money every three or five years. It has been about £300 million or £350 million for a five-year period. Even though the regulated sum is not part of the control period, the Government have chosen to do it over a five-year period. That may have caused some of the confusion. Programmes such as Restoring Your Railway would be funded out of the comprehensive spending review settlement. Very occasionally they come with additional money, but most of the time the assumption is that they will be funded from the already agreed spending review provision. That is where a lot of the uncertainty comes.

It is worth saying that almost all of those schemes, including Restoring Your Railway, come with a bit of small print that says “Subject to business case”. Just because they were announced does not mean that they will ever get funding. Network North is probably the biggest example of that. There was an enormous list of schemes announced, but the small print said “Subject to business case” and most of those schemes, dare I say it, were never going to have a business case that would be acceptable.

Q9 **Rebecca Smith:** Drilling down to a further level of detail before I hand over to somebody else, if there is a need for something specific in a



HOUSE OF COMMONS

constituency—for example, a platform extension—what is the wait period? If an MP had a meeting with Network Rail and said, “This needs to happen,” which pot would it come from, and realistically how long might it take? Is there ever scope where there happens to be £10,000 behind the sofa that can be thrown into creating a business case, for example?

Sir Andrew Haines: If it is an enhancement, it comes from that DFT fund. You would need to get agreement and support for that from the Department for Transport, not Network Rail. As I said, in that circumstance we would say, “Well, the platform surface needs renewal anyway,” so Network Rail can contribute a percentage of the cost because we would be doing works on site anyway. That can make the money go further, but the regulator is very cautious about leakage from money given for maintenance and renewal into enhancements.

There was a very specific example that the regulator pored over in Scotland. There was a platform extension at Milngavie, which was designed to improve train service performance. The regulator took a lot of persuading that that was not in practice an enhancement but was there for operational benefit. Literally, there were lots of meetings and lots of challenging questions to demonstrate that we were not using the money inappropriately.

Q10 **Chair:** On Access for All—a relatively small amount of money, but hugely important to many MPs, including me—what has happened to it?

Sir Andrew Haines: We have really got to grips with it this year. We have probably had our best ever year. In the last 12 months we have delivered 27 schemes, which we think is more than ever before. In the previous financial year, it was the best in 10 years. Dare I say, I think the problem with it is severalfold. First of all, there is no strategy underpinning it. It is not a strategy to develop an accessible railway.

Q11 **Chair:** There wasn’t a rail strategy. Let’s say it was probably a political strategy.

Sir Andrew Haines: Yes, it tended to be political priorities that determined the schedule. The second thing is that the stations that were announced were never matched to the funding available. Some of the schemes, for example, have very extensive work. Some of them can be £30 million, £35 million or £40 million because you need to put in two new platform entrances, multiple lifts and bridges. Clearly, if you are going to do one of those at £40 million, you are not going to be able to do all the others that are announced. It has a tendency to raise people’s expectations, when it is a capped sum of money. It also does not really facilitate match funding because of the way it is produced. It is an area that is ripe for a more strategic approach.

Q12 **Chair:** So it is paused and not cancelled.



HOUSE OF COMMONS

Sir Andrew Haines: It is not cancelled by any means. We are still spending the CP6 money. There is a backlog. We have been asked to start the feasibility for CP7. We have not yet confirmed the funding for CP7 because it is part of the spending review and it is enhancements. The work is carrying on. We delivered two just last month. As I say, we have done 27 in the last 12 months.

Q13 **Chair:** I am particularly asking about the last list—

Sir Andrew Haines: Oh yes, the feasibility list. We have been given sufficient funding to do desktop feasibility of those, where I think a sensible approach is to say, "Look, okay, on a desktop basis how many of the 15 would you be able to do with the fixed funding available?" Then, do we want to progress with a subset of those rapidly or keep all of them going but much more slowly, accepting that some might take seven or 10 years before the funding is available?

Chair: It is helpful to have that clarification. Those of us who have been asking the questions since last July have not been told that in so many words, so that is really helpful.

Q14 **Steff Aquarone:** Before I ask my main question, I would like to get some clarification. You said that renewals are a big part of the control period process. There is maintenance, operations and various other things. Electrification is a little bit of that. When you go into the control period process as a whole, are you wrapping up all the DFT funding and the spending review funding stuff into that process? The CP process is just the bits that are to do with renewals and that side of things.

Sir Andrew Haines: Operations, maintenance and renewals are part of the control period.

Q15 **Steff Aquarone:** Okay, so it is only a part of the works that are going on in the railways.

Sir Andrew Haines: Yes. It may help if I give you a little bit of a history lesson as to why that split was made and what happened in the previous decade when the projects that were being delivered were bigger—things like Great Western electrification, for example. The control period has fixed terms, and it is set out in statute when the regulator has to make certain decisions. Therefore, the budget for those big programmes was being fixed, sometimes, when they were in a relatively immature state.

What happened in CP5, which was 2014-19, was that Network Rail ended up cutting back on its renewals activities to fund the overspend on the enhancements. One of the things the Government decided at that time—Colette Bowe did a review for the Government—was that it was better to split out enhancements to stop the cross-contamination of enhancements overspend into operations, maintenance and renewals. It was not a problem all the time. We were not spending much on enhancements because it was a relatively small subset, but as ambition for



HOUSE OF COMMONS

electrification, bigger stations and new lines grew, the risk of pricing those at a specific price point became too great.

That was then compounded by the reclassification of Network Rail. It was not too much of a problem all the time that Network Rail could notionally just borrow more money from the markets. It was a problem for the taxpayer who was having to pay for it, but at least there was a funding stream. When Network Rail was reclassified, the total sum of money was capped and therefore the only way to continue with the enhancements was to rein in the renewals spend. I think Treasury rightly said that that was a dangerous path to be on in the longer term because you are not investing in the core system at the rate you need to.

Jeremy, you were there at the time. Is that fair? You were at the tail end of that, weren't you?

Jeremy Westlake: I was, yes. On your point about whether they are completely separate, no, they are not. When you are planning renewals, you have to have regard to what the enhancements in the future will need. What you do not want is to deliver brand-new infrastructure when all around it you have assets that may be in a degraded condition. We look to align what we know about the future enhancements portfolio with the renewals. That way, you get assets coming into service where you have prepared everything. I wouldn't say it was perfect, because you want to make sure you have done restrengthening and you want to make sure that you have the assets able to perform. Sometimes that is an acceleration of a renewal. What we try to do is anticipate, based on what is known of the enhancements pipeline.

Q16 **Steff Aquarone:** I suppose whether it is a railway network or a hotel, there is clearly sense in having a separation aspirationally between stuff that is maintenance and stuff that is big projects. What I am interested in knowing is this. There are three subsets: there are big projects; there is stuff that we are not allowed to do to make anything better by accident—it has to be just like-for-like insurance claim-type replacement—and then there is stuff that actually makes things better. Some people would argue that you should only be replacing and repairing things in a way that enhances and improves them. Generally, given everything that we have heard so far—the access funding and those sorts of concerns, and all the drifting parts, pots and promises—do you feel that the control period process itself is still fit for purpose?

Sir Andrew Haines: I describe the control period process as a generous gift. There are very few parts of the public sector that have five years of funding certainty. It is not perfect by any means, but it is something that I think we ought to fight tooth and nail to keep. I am probably at danger of saying that I want to cling to that. Bluntly, I do not really want to open it up. I see more risk in opening it up. When you think of how many other parts of the public sector could say, "Here is secured funding for five years," my instincts are to keep it close and preserve it rather than



HOUSE OF COMMONS

opening up the principle that may allow Governments to change their priorities and say, "We can intervene halfway through."

Q17 **Steff Aquarone:** I am sure we will delve more into what happens within it in the course of the morning. When it comes to the pipeline and one of the bigger themes of this inquiry, which is industry readiness and the view that industry has of what is coming down the tracks—an inadvertent pun—can you tell us a bit about how you liaise with the supply chain as part of the control period process? How much visibility do they have? How much planning and preparation is there? How does that compare to the way in which you engage with the supply chain for centrally funded bigger projects, improvements, enhancements and that sort of stuff?

Sir Andrew Haines: Ideally, the supply chain wants sight of the total pipeline. Some of our renewals activity on track is big. There is very heavy plant or signalling. You are looking for technology investment. Sometimes they do not distinguish as much between renewals and enhancements. They want to see the end-to-end. Why? They want to plan their workforce. We want them to invest in technology, which means they need the comfort that there is going to be a return on their investment because there is going to be a workstream to do it.

Historically, we have not been very good at transitioning from one control period to the next because contracts were brought to an end at the end of year 5, as if there was never going to be any money for year 1. We have done rather better than that for the most recent control period. We have just started year 2. I can give you an illustration of that. We spent something like 19.2% of our five-year settlement in the first year. Obviously, if it was perfectly flat it would be 20%. We were only 0.8% away from that. In terms of that visibility, we have been fine. Where the supply chain has been really concerned is that that 19.2% has not gone as far as it did in previous years, because we have seen very significant increases in inflation. Ballast—the rocks the track is laid on—has gone up by 80% since 2018. Concrete sleepers have gone up by 75% since 2019. Signalling costs have gone up by about £400 million over the last control period.

Although we have given visibility of the work, it is not crystallising into as many orders as the supply chain wants to have. Where we have not been good enough this time is in translating what the money means in terms of orders. We have contracted more of the work, but there have been fewer contracts than many of the suppliers were expecting. Where they find that they are going to have grief, in some cases talking about workforce redundancies, it is not because we have not smoothed the flow; it is because the value of the settlement has been reduced by what we know were two or three years of abnormal inflation.

Q18 **Steff Aquarone:** Is there anything else that could give the supply chain greater comfort or certainty?



Sir Andrew Haines: We are doing more on that. Jeremy, do you want to talk about the sorts of things we have been doing?

Jeremy Westlake: We try to engage them regularly and frequently in seeing the forward pipeline of work. We contract with the supply chain using frameworks. If you are a framework supplier, you may not know precisely what work you are going to get, but you can see that we have an indicative spend profile and therefore the work does flow. That enables them to invest in the skills and resources that are needed to deliver, including equipment as well as technology. That forward visibility is really important to level-plan the work as much as we can, and gives them the best chance of delivering smoothly and efficiently. We have a very big efficiency programme that we delivered in the last control period. Up to 2024, we delivered £4 billion of efficiencies over a five-year period. We have a very similar target for this year. With the pressures that we have around inflation, that is part of the way that we deliver the additional work that the regulator expects us to deliver, given the cash funding—by working very efficiently with the supply chain.

Sir Andrew Haines: If I can elaborate, the most significant change we made this year is in our southern region—most of the railway south of the Thames—where we have effectively entered into a 10-year partnership. We said that even though there will be a control period in the middle, we will give full visibility of the pipeline. We have a strategic partnership that looks to embed that efficiency, but allows the supply chain to be much more influential about how and when we plan work. We are really testing that to see whether it is a model that could be used elsewhere. There are other utilities that have had good efficiencies as a result of that. It will be transformational if we find that it works.

Q19 **Steff Aquarone:** On those efficiencies, does that mean you are face to face with them and crunching down on price, or is it that you are hoping that they can spread their interest across a longer and more certain period and drive costs down? Where are the efficiencies coming from within the operating model of the supply chain?

Jeremy Westlake: As you would expect, you look at it by various themes. There is commercial, and of course price and competitive tension is important, but most of it comes from how we run access to the railway—that is a big one—and what technology you can infuse to drive the costs down. Can you do work combination so that you only go in once? We have a variety of methods that we use to drive it down.

The other thing is, what are you specifying? We cannot afford to gold-plate what we do these days. We have a heavy focus on what we call minimum viable product. What is the minimum that we can do to deliver the outcomes that we want? That creates some really interesting innovation from the supply chain as well, about: are you on a no-build strategy, a low-build strategy or full rebuild? There is plenty of engagement with the supply chain to deliver on the efficiency programme.



Chair: I think some people in the industry would have some slight issues with the five-year control period. It is not exactly perfect.

Q20 **Olly Glover:** I have a fairly straightforward question. Why has the rail network enhancements pipeline not been updated since 2019?

Sir Andrew Haines: At the risk of being controversial, because it is a flawed proposition, by which I mean that it is owned politically and is therefore subject to shifting political priorities; it is not a strategy for the railway. What we see, particularly at a time when there is more and more demand for things, is that a new politician will come in wanting to do something new—Ms Smith mentioned Restoring Your Railway, for example—and it just gets added to the list, but nobody wants to take anything off, so very quickly the numbers don't add up. The easiest way to not expose that is to not publish the pipeline. That is about as straight as I can be.

Q21 **Olly Glover:** That is very clear. Could I infer from your comments that you would really like to see a clear strategy for the railway from Government, giving clear direction as to what they want to achieve, strategically and not just in terms of pet projects? Far be it for me to suggest any pork barrel project.

Sir Andrew Haines: I very passionately believe that the railway is very good at doing certain things. I am also utterly convinced that it is not the answer to every problem. It is being very clear on what the railway is best at doing, and having a prioritised list of interventions, be they rolling stock, additional staffing, technology or physical infrastructure. You do not have to commit all the funding to them. The pace at which you roll them out is obviously subject to broader political priorities, but being clear on where the railway adds the most value and prioritising that list would, I think, be better value for the taxpayer. I think we would deliver a better railway as a result, and the supply chain would have more confidence in the pipeline.

Q22 **Olly Glover:** In one of your earlier answers you disagreed with the characterisation of boom and bust, but one area where the data clearly shows there has been that problem is electrification policy and delivery. In that context, what lessons has Network Rail learned from projects such as Great Western electrification, which was mentioned earlier? Given OECD figures that show that Greece, the Slovak Republic and Hungary all have higher levels of electrified network than we do, is that not a real source of embarrassment and something we should tackle?

Sir Andrew Haines: I contest that. The overall spending level is not one of boom and bust. When you add in the HS2 funds, Crossrail and TRU, it would be factually inaccurate to suggest that we are going into a bust phase. In any sense, they are huge sums of money. There is absolute volatility in how that money is spent. When it comes to electrification, what we had was almost a generation of no electrification. As a result, we did not have a skills base in the country that had optimised it. Our standards as Network Rail at the time turned out to be very risk averse



HOUSE OF COMMONS

and drove costs. Our contracting was quite immature. Then, because of the political imperative, we ended up contracting too soon and bearing a lot of risk.

We have now dealt with the majority of those issues. Our unit rates for electrification in Scotland are now very competitive internationally because we have fit-for-purpose standards. We have a good contractor with whom we have a long-standing relationship. They optimise delivery. I think we have dealt with that issue. We have good means of contracting. In the meantime, electrification has dropped down the list of political priorities, partly because in a national decarbonisation strategy the railway spends a very small percentage of our carbon budget. Therefore, the incremental benefit you get from decarbonisation of the railway is not as great as for other parts of the economy.

That is a legitimate political choice. What is beholden on myself and my colleagues is to make sure that we can deliver it affordably and that we have learned those lessons. I am absolutely convinced that we can demonstrate we have learned those lessons, so if the Government want to spend on electrification, we can deliver much more attractive unit rates now than we were able to when we were doing Great Western electrification 10 years ago.

Q23 Olly Glover: You mentioned that one of the issues with Great Western was that there had not been any electrification for a long time, so the art of how to do it was lost. Does that mean you think a commitment to a rolling programme of electrification would help the supply chain and everybody to further reduce unit costs or manage them further?

Sir Andrew Haines: That is almost incontrovertible. If you have a steady pipeline that allows you to optimise the workforce, build in technology and minimise disruption, all three are significant factors that would result in a lower overall cost. What I do not have to do is balance the books as Chief Secretary to the Treasury, but if you want value for money for electrification, a steady, continuous pipeline is the most efficient way to deliver it. I think very few people would argue with that.

Q24 Chair: Twelve or so years ago my predecessor, along with the community, was trying to do something about a derelict set of buildings and land next to Kew Bridge station. It turned out that Network Rail owned it, but they didn't know they did. The rail system has considerable asset value. Are you doing enough to maximise opportunities for leveraging in private investment in infrastructure where there is opportunity for mutual gain, particularly at urban stations?

Sir Andrew Haines: I will let Jeremy answer that and particularly think about how we are using private sector investment in telecoms, but also in terms of property.

Jeremy Westlake: On property in particular, we are now setting up a new property development company and combining Network Rail's



HOUSE OF COMMONS

property development team with London and Continental Railways. That was announced in recent months. We are on the way with that. London and Continental Railways is now part of Network Rail. We have a big ambition to build about 40,000 homes over the next 10 years using railway land and the new ability that we will have to acquire adjacent land so that we can mass. Therefore, we have not just residential but commercial development. We are very keen for GBR in particular, when it comes, that the railway plays a full role in economic regeneration.

Q25 Chair: Would that include using air rights to build over railway lines?

Jeremy Westlake: Yes, absolutely, where it is economic. It is not often as opportunistic as you might think. It tends to be in very densely populated centres where the land values are high, so we are looking at how we redevelop around Liverpool Street station at the moment. That will go forward to City of London planning committee later in the year.

Sir Andrew Haines: I think in 2024 we were the fifth largest house builder in Britain. People do not understand just how much we do in this space. That does not mean there are not many more opportunities. We think that, working with LCR, we will be able to make much more of those. With 5,000 houses in 2024, it meant we were equivalent to the fifth largest house builder.

Jeremy Westlake: Could I come back on your point about private finance and private investment? We look at where we have assets that are not just core for the railway but can be dual purpose. With our telecoms network and our fibre cable networks, there is an opportunity to get the private sector to roll out the fibre cable, connect it to masting and install antennae to boost railway signals, so that you get the ability to transfer not just data for the railway but city-to-city data for new data centres. That is actually quite attractive at the moment when you look at the amount of data movement that needs to be made across the country. If you travel by train regularly, you know that quite often the telephone signal is just not fit for purpose, so it will also help us to fill in the notspots, as we call them, along the railway. There are ways to bring in private sector investment, whether it is on land or other assets where there is a dual purpose.

There is a problem when you want to invest in core infrastructure, where the Government are essentially the net funder, because that would then put it on the Government balance sheet, so you would be competing for whether or not you wanted to invest in rail enhancement driven by the private sector. It helps if you are bringing money to the railway; your case will get studied very carefully in terms of what that can do to offset it. We do some that work financially, such as building new train depots. Obviously, a big piece of the private finance investment in the railway is in the rolling stock as well.

Q26 Chair: There is one other question on bringing in other finance. You explained in written evidence that producing a complete pipeline could



create tension between giving industry certainty of public funding and encouraging private sector investment to deliver projects. How do we find the right balance?

Sir Andrew Haines: What we want to avoid is committing to expenditure. In the example of a new station, where you may get a significant contribution from a housing developer, if you are too firm in the commitment to that, you preclude opportunities for contributions. The way to do that, frankly, if you have a long-term strategy that shows the list of what you want to do, is to give the opportunity for private sector contributions to bump things up the list. You are not committing to them regardless of contribution, but you can get the scheme escalated if there is a contribution.

Q27 **Dr Arthur:** Forgive my cynicism but I can remember that when the railways were privatised it was said that the telecoms network would be a great asset that could be exploited. It is good to hear that we are getting there all these years later.

The boom and bust—I know you do not want to call it that—has fluctuated quite a bit. How much of that is down to the pesky politicians you were mentioning, and how much is it actually down to Network Rail not always making the right decisions within its own perimeter?

Sir Andrew Haines: We are a vast organisation. We do not always make the right decisions. I am not going to sit here and suggest that we do. Every day is a schoolday at Network Rail.

Q28 **Dr Arthur:** If I look at the investment profile, it seems to move in more or less five-year cycles in terms of the rises and dips. I know you say that there are things cutting across that. Is that the only factor, or could you have planned better to even out that delivery? I am talking about scale, not individual projects.

Sir Andrew Haines: If it is enhancements, as I said, it is absolutely prioritised by Government because it is directly funded by the taxpayer and the Government decide what they want to invest in. Do they want to go for electrification? Do they want to focus on delivering Crossrail or do they want to spread a programme over 15 or 20 years? Those are, rightly, political decisions. What we have to do is look at the statement of funds available every five years and say, "Have the circumstances changed?"

A good example of that would be climate change. We are broadly spending double what we spent in the last control period in this current period, and that was double the previous period, because we are seeing—Scotland is at the forefront of this—that it is a reality. We see far more frequent weather events, which means that we have to invest more in earthworks. While in the current control period we are spending less on signalling and less on track, we are spending £400 million more on earthworks directly in response to climate change. We have to track those trends.



HOUSE OF COMMONS

Q29 **Dr Arthur:** How different would things be if politicians were not meddling? If you had the same funding profile and you were left to run the railway, how different would things be?

Sir Andrew Haines: You will never find me suggesting that politicians are meddling. This is public money. We live in a democracy, and it seems to me entirely appropriate that politicians take decisions. All I am suggesting is that—

Q30 **Dr Arthur:** You make your own decisions.

Sir Andrew Haines: No, I am suggesting that if you have a strategic approach, you might get a better outcome for the taxpayer and the users of the system.

Q31 **Dr Arthur:** So it is not strategic now, you feel. You think that is lacking.

Sir Andrew Haines: I think successive Governments over the last 10 or 15 years have chosen not to have a rail strategy and be clear on what they want from the railway, and therefore to plan investment, be that in track or in train, that supports it.

Q32 **Dr Arthur:** Because I am the token Scotsman here, I will ask about Scotland. Is it any different in Scotland? I know you have a different working relationship—

Sir Andrew Haines: Absolutely. It would be fair to say that in Scotland there has been a much more strategic approach. There is a commitment to electrification, which is why we have had a continuous programme in Scotland. There is a commitment to expansion. Most latterly in Scotland, the funding pressures are also coming to bear, so they are having to look at the strategy. What we will see there, as I suggested earlier, may be some slippage in the timescale, but I do not see any sign that there is a fundamental shift in priorities. There is a commitment to decarbonisation and a commitment to reducing inequality. Scotland is a good example of where we can demonstrate better outputs from the system because of a strategic approach.

Q33 **Dr Arthur:** That is powerful. Do you think the five-year funding cycle is at the heart of the problem? Should it be longer? Would that help even out some of the bumps and peaks and troughs?

Sir Andrew Haines: It is interesting. I was the aviation regulator for about eight or nine years, and that is five years. Water, gas and electricity all tend to be five years. It is probably the sweet spot of being sufficiently long to give you some certainty. Beyond that, frankly, there are too many shocks. We have already talked about just how much inflation is hitting our current five-year period. If you had to live with that for 10 years, it would be a very long period. The minute you start conceding the principle of opening up the settlement, you add real jeopardy to it. I do not think there is a perfect number, but five years is a pretty good range.



HOUSE OF COMMONS

Q34 Dr Arthur: Five years must be a stress for your external investors and it must be a stress internally as well, because you must have to plan your workforce. You are recruiting graduates. By the end of the five-year period that is when they are probably at their maximum.

Sir Andrew Haines: We overstate that. If you look at the volatility in spend over the past 10 or 15 years, most of it is predictable. Decisions on where we shift spend are not massive swings. It is fair criticism to say that historically we had artificial hiatuses at the start of new control periods, almost as if there was not going to be any money going forward. The level of spend will flex, but it does not flex by 40% or 50% year on year, so there is a core piece that you can plan. That is why we have taken the decision with our southern contracting to commit for 10 years, because we can be pretty darned confident that a core of activity will be funded over a 10-year period. I think we overstate the five-year issue.

Q35 Dr Arthur: Over those 10 years you are just looking at the baseload, but you expect to be funding above that.

Sir Andrew Haines: That is a very good description. You have a baseload that you can, frankly, plan for way beyond five years.

Chair: That is interesting.

Jeremy Westlake: That is where the regulated process really helps because it gives real scrutiny over the asset management plans and starts well before the start of the five-year period. I would not say it is a continuum, but certainly we are starting work two to three years before the settlement takes place so you have plenty of time for analysis and scrutiny to make sure we are focusing the money on the right place. That enables people to become comfortable with what they will need to deliver it. The big thing for the supply chain is knowing how to size their workforce, so there is that decision point that is important for them, but we are talking with them in great detail about what schemes and projects we want to run on the renewals side as well so they keep that in mind.

Q36 Dr Arthur: That is good. The time it takes your suppliers to invest in stuff is also important.

Jeremy Westlake: Indeed.

Q37 Dr Arthur: Is there value in the regulator being outside the organisation looking in, because that is about to change, isn't it?

Sir Andrew Haines: I do not think any change is planned in terms of the funding settlement. The proposal under GBR is to change the regulator's role in granting access. That is quite a discrete set of powers, which is not affected. I think the Government assign value to a regulator that can scrutinise efficiency. There are other ways of doing it, but if the regulator comes as part of the package of five-year certainty of funding, to my mind that is the jewel in the crown that we must preserve as we move into GBR.



HOUSE OF COMMONS

Q38 Mrs Blundell: Good morning, both. Sir Andrew, some of our written evidence—you touched on this before—has highlighted the 2014 reclassification of Network Rail's debt as a possible reason for reluctance to invest in the long term. Would you say that is a fair characterisation?

Sir Andrew Haines: I do not think it is fair, in that it is not credible for Network Rail to say you can simply borrow and the taxpayer will pick up the bill regardless, because the taxpayer is the sole source of funds for that. It acts as a constraint, but I would argue that it is an entirely legitimate constraint. If you are the Chief Secretary to the Treasury or the Chancellor, having a large public body that has unlimited ability to borrow money on the market seems to me not really sustainable. Jeremy was here at the tail end of CP5 when that transition was having an effect. I think people misunderstand the treatment of the historical debt. That is funded separately, so it is not the debt that we carry that acts as the constraint; it is the fact that we are subject to the overall public borrowing.

Jeremy Westlake: We do not bear interest rate volatility, for example. We have a separate agreement with DFT and Treasury about how movements in interest costs are borne. In the past, the ability to go out and borrow money and the investments then not appearing on the Government balance sheet was a bit like having a golden credit card. It is not a great way to spend money in terms of holding an organisation to account. It is much better to be clear about the available funding.

Q39 Mrs Blundell: I do not think anyone is suggesting a golden credit card. If it was off the books, different investment decisions might be made.

You might say this is a question for DFT or Treasury, but I am interested in your thoughts. Do you think that the fact the debt has in some ways gone on to the Government's books is deterring the DFT from expanding the network because it has to go through the Treasury?

Jeremy Westlake: No, I do not think so, because enhancements were always funded by Government anyway. I do not believe it is having an impact directly. There is more we can do to take a look at how we can blend funding. It is not just DFT or even Scottish Government funding, but money coming from mayoral combined authorities and other sources of funding. That can help in the calibration of schemes and which to invest in. There is more to go at in broadening the funding sources.

Q40 Mrs Blundell: You would like to see some funding come from mayoral combined authorities.

Jeremy Westlake: Yes, I would. In some respects that enables them to have a role in the decision making, which is what the GBR legislation sets out anyway, and I think that if you have skin in the game it helps.

Q41 Mrs Blundell: Would you agree with that, Sir Andrew?

Sir Andrew Haines: Yes, I would. For example, if you look at the status of Transport for the North, at the moment it does not have any spending



HOUSE OF COMMONS

powers. I think that puts it in quite a difficult position, but if I am really honest, it allows authorities to make the case for things without having to cover the cost as well, so you end up with an artificial debate, whereas a degree of devolved funding, where you transfer full accountability, has real value in making those decisions, and there are genuine trade-offs to be made. We have seen that work well in Wales and Scotland and we have seen it work well in London. We see elements of it now developing in Manchester and the west midlands, so I think there is a model that can be made to work.

Q42 Mrs Blundell: I do not think things are really working well at the moment. You only have to look at the north's crumbling rail infrastructure to see that after years of transport spending serving some regions rather than others, many local areas, in my opinion, have been starved of much-needed local investment. Do you think that Network Rail is achieving the right balance between financial discipline and capital spending across the country as a whole? What you said in a previous answer suggests perhaps not.

Sir Andrew Haines: We do not choose where the enhancement spend goes. If you look at the state of the asset across the network, we do not see reliability of infrastructure, for example, being radically different in different parts of the country. We maintain it to a pretty standard level across the piece. What we are seeing is a system in parts of the country where there is a real demand for expansion of capacity. Historically, the railways reduced capacity of infrastructure and rolling stock, and demand is now outstripping that capacity, but that is an enhancement decision; it is not part of our Network Rail allocation of resource. The Transpennine Route Upgrade, a £10 billion-a-year programme, is transformational investment, particularly between Manchester and Leeds but right the way through to York and Newcastle on the east coast as well. That is a step change in capacity in journey times, reliability, new trains, new depots, digital signalling and electrification, the like of which we have not seen in the north of England for probably 100 years. That is a very strong commitment that has transcended the change of Government.

Q43 Laurence Turner: I have a follow-on question about the effects of reclassification. You have both said that you do not think it would be healthy to go back to the days of borrowing against a regulated asset base credit card, for want of a better phrase, but reclassification had wider effects, including public accountability for Network Rail and the organisation's relationship with the central sponsor Department and the Treasury. Looking back and forward at the same time, what are the positives and negatives of that wider reclassification, and what lessons are there to be learned from that experience for the creation of GBR?

Sir Andrew Haines: If we accept as an inevitability that any Chancellor or Chief Secretary will want good levels of control over expenditure, what we saw immediately after reclassification was a very tight grip. Frankly, it is as much about the relationship between the Treasury and the Department as about the relationship between Network Rail and DFT or



HOUSE OF COMMONS

Treasury. The enhancement programme from Dame Colette Bowe when she put forward her proposals did not envisage that every single enhancement scheme would be subject to Treasury approval and scrutiny, yet that was what we had for four years, from 2019 through to early 2024. The levels of delegation to the Department for Transport were very small. I do not think you could get approval for a footbridge without individual Treasury approvals. That relationship is almost as significant as the relationship with the public body.

The Government have been very clear in both their pre-election document "Getting Britain Moving" and their consultation document around the legislation for GBR that they believe in the arm's length status of GBR. That is really important. Governments are naturally cautious in their decision making. Departments are naturally and understandably risk averse, but we cannot optimise the system if very small decisions on timetabling, very small increments of enhancements and balancing track versus train all end up being centrally controlled.

Q44 Laurence Turner: Presumably, having that very micro level of approval raises costs in some ways as well.

Sir Andrew Haines: Absolutely. It adds prolongation. If you have a very big programme, with significant overheads in the nature of the programme, a one, two or three-month delay can add millions of pounds to the cost. This is not happening once in a programme's life; it can happen a dozen times.

Q45 Laurence Turner: And that is what has happened in practice over the past four years in at least some cases.

Sir Andrew Haines: In some cases there has definitely been delay as a result of the multiplicity of approval processes. In the last 18 months or so there has been some delegation back to the Department for Transport, which has helped with the smaller schemes. I entirely accept that there needs to be accountability for expenditure when you are using taxpayers' money, but doing that in a streamlined way is a really important part of holding GBR to account.

Jeremy Westlake: There is quite a distinction in renewals, where we are given our five-year funding settlement and we have the agreed work plan with the regulator. That rolls itself out very efficiently. On enhancements, there is a benefit in the phased release of funding. To go back to CP5, major schemes were committed to before their cost was properly understood and, therefore, their deliverability and the value for money for taxpayers. Now the process that Colette Bowe proposed works extremely well, in that we go through a process. It can be time-consuming, but it means that before you get too far into a programme you have fully understood what you are going to deliver, and for the supply chain as well that is really useful. When you have detailed plans, scope and timescales it reduces risk.



HOUSE OF COMMONS

Q46 **Mrs Blundell:** Following Laurence's question and looking to the future, do you think that unifying track and train under Great British Railways will provide the basis for a clearer investment pipeline?

Sir Andrew Haines: Very much so. Why? Because GBR will be tasked with developing a strategy that is consistent with the political objectives but that allows us to determine the best solution. For example, in many cases people rush to infrastructure, which is expensive and has long planning timescales, when actually changes to rolling stock can be a better solution for passengers. It allows us to optimise how we use access to the network much more effectively; it allows a guiding mind for timetabling to realise the benefits. There are many ways in which GBR can allow the railways to deliver more efficiently when it comes to an enhancement pipeline.

Q47 **Mrs Blundell:** I am going to move away from rolling stock slightly. On expansion of the network, under GBR could decisions on where to invest be linked more closely to developments? For example, in my constituency of Heywood and Middleton we have the Atom Valley mayoral development corporation, which is expected to create 20,000 new jobs. What do you think could be the mechanism for supporting network expansion where there are greater levels of development?

Sir Andrew Haines: It has to be nested in overall political support and strategy for what the railway does best. If you look at how it works in London, which I think is a pretty good model, the London transport plan identifies the things that the mayor believes over a 10 to 15-year period we should invest in. That allows third-party contributors to nudge up a scheme from, say, No. 7 to No. 5 by a contribution because there is transparent commitment to it as a transport initiative. You increase the ability to get it delivered by additional funding. That level of transparency and consistency of intention can bridge elections—not just elections but changes of Secretary of State, which is really important and powerful—and allow private investors to have some confidence that there is stability. The London transport plan has been remarkably stable across Labour, then Conservative, then Labour mayors. For three mayors it has withstood that because there is a transport logic to it. That was really helpful when it came to investment in Crossrail and other investments.

Q48 **Chair:** And the wider regeneration and growth policies as well.

Sir Andrew Haines: Absolutely.

Q49 **Rebecca Smith:** We often find that London, Manchester and Birmingham get held up as the mayoral authorities that have the ability to do that planning. As we go forward with the devolution Bill, alongside the Great British Railways work, how realistic is the work that could be done in those smaller mayoral authorities? I am an MP in Devon. Heaven forbid I say this publicly, but we could end up with a Devon and Cornwall mayor. That is quite a small piece of the jigsaw in terms of the infrastructure of the railway system across the country. How replicable is what happened



HOUSE OF COMMONS

in the big mayoral authorities going to be in the smaller new mayoral authorities that the Government want to set up around the country?

Sir Andrew Haines: I am going to take my life in my hands and give you a Cornish example. Look at Cornish metro currently—

Q50 **Rebecca Smith:** The Cornish metro is not being done under the plans for what is going ahead with devolution.

Sir Andrew Haines: No, but it is a good example of local investment and being able to galvanise and bump things up the priority list. That is where it is a good illustration.

Q51 **Rebecca Smith:** How does Network Rail connect with that?

Sir Andrew Haines: We work within a political construct. We can demonstrate that by working with local developers, or through grant funding from local authorities, we quite regularly bump things up the list because of alternative sources of funding, from simple things like a contribution to a footbridge to a new station to increase capacity. We do that quite regularly. I think the devolution Bill and the statutory duty envisaged under the GBR Bill formalise that and give transparency. That is why I think that some degree of funding devolution is helpful, because it allows people to make informed choices.

Q52 **Alex Mayer:** We have already touched to some extent on devolution. To what extent are investment decisions being made with regional input at the moment? What do you think will be the challenges and opportunities for that as we get more mayors and potentially a regionalised GBR structure?

Sir Andrew Haines: The most obvious example is not a region but a nation. Scotland has an entirely ringfenced funding settlement for maintenance, renewals and, indeed, enhancements. It is the most extreme example of that. The rest of it tends to be—dare I say it—slightly ad hoc because it is absent the overarching strategy, but for enhancements it is determined by political decisions on how to spend the money that is available. The Transpennine Route Upgrade is a good example because it is such a big programme over an extended period. There are opportunities to work with regional authorities on enhancements to that in their localities. We do some of that, but it is quite marginal.

Jeremy has been working very actively in Leeds with the authorities there and has been chairing fora to build the case in Leeds.

Jeremy Westlake: I have been working with Leeds for about six years around the regional development—the station development. There has been great alignment between West Yorkshire combined authority and Leeds city council. Watching them come together with their plans, not just railway plans but how it fits into a multi-modal transport solution, has meant that the strategy has a coherence that you do not get if you



just look at it in straightforward railway-only terms—heavy rail terms. It is looking at the impacts of active travel, such as how we move and store bicycles around the station and integration with a tram system. To me, all those things show that when you have that nested in a regional growth plan as well, you are getting transport infrastructure to do what it is supposed to do, which is help the city grow. It is a great case study about how to continue to engage, with no-regrets decisions over six years, and Leeds continues to move forward.

Sir Andrew Haines: Other authorities have decided to build the stations themselves. In the West Midlands mayoralty, on the Camp Hill line four new stations are being built and funded by the combined authority, whereas we are doing infrastructure works to support it. University station, which was fundamentally transformed, was developed and delivered by the combined authority. We are remarkably flexible in how we engage in that regard, depending on where the sources of funding are and what makes sense. The Northumberland line, which opened in December, was effectively funded and managed by Northumberland county council. We did some of the essential rail infrastructure works. We were about 25% of the overall budget. Most of it was managed by them. We try not to be territorial because we have plenty of things to do and we know we are not the answer to every problem.

Q53 **Alex Mayer:** Do you feel that the advent of more mayors will make it more strategic, or is there a danger that a mayor has a fairly defined geography, and railway lines tend to run through those, normally all the way to London?

Sir Andrew Haines: There is a definite tension and trade-off to be worked through. Greater Manchester is a good example of a relatively advanced mayoral authority. Commuting in Greater Manchester is served not just by trains of Greater Manchester but trains that come from Wales and Norwich; they come right the way through the country. Core commuting into Manchester comes from a very distributed network. We are working with Andy Burnham's team on where the mayor could have more control and leverage over certain lines, while respecting the fact that the network characteristics mean that GBR will need overall supervision to make the overall system work. If you do not do that, the people of Manchester will not be well served. We need to be prepared to work pragmatically and very closely together because you cannot have artificial demarcations. It is very different. Manchester is uniquely complicated because of the way Manchester city centre is served by such a diverse group of people.

Q54 **Laurence Turner:** Going back to what an ideal investment pipeline might look like—I avoid calling it a rail investment pipeline because it has an unfortunate acronym—you said, Sir Andrew, that the five-year period was probably about right. Some of the organisations that have submitted written evidence said they would like to see a 30-year statement of intent around major projects, with subsequent five-year investment periods



HOUSE OF COMMONS

being initially sketched out, so you still have the first part set in stone to an extent, and there is a degree of certainty about the subsequent periods. Do you think that would be a positive step for the industry?

Sir Andrew Haines: Yes. Hopefully, that is consistent with what I said when talking about having a clear rail strategy. The five-year window is about the detail of renewals and maintenance when you have a high level of certainty and predictability to the point where you can contract. Supply chains want some visibility, but ultimately they want contracts. It is not plausible to contract for 30 years, and I do not think anybody is advocating that. If you can contract for at least five years and, in some cases, for 10 years on the baseload, as Dr Arthur described, you have a good blend. If you want confidence in sustained investment and efficiency, for example on electrification kit or new technology, I can entirely understand why the supply chain wants more than five years' confidence in utilisation. These are quite exclusive assets. You cannot use a railway vehicle on many other places; it is not a track you can move anywhere around the world or anywhere in the country. Road-rail vehicles have a very bespoke role, so it is entirely understandable why people want a longer term for the enhancement strategy.

Q55 Laurence Turner: Going back to a question that one of my colleagues asked, up to a point you need to know what the long-term enhancements pipeline is likely to look like in order to plan renewals and maintenance around those projects. From an infrastructure management perspective, how should rolling stock investment be incorporated into infrastructure planning?

Jeremy Westlake: If you looked at the history, you would say it has not been that well integrated. If there is boom and bust, a lot of it has been around rolling stock, where you have sudden surges in demand for new trains and then nothing. Four train factories in the UK are all struggling with workload at the moment.

When we plan our network investment programme, having a strong linkage between the rolling stock and the infrastructure is vital. In the past I have seen situations where the infrastructure could be ready too soon; the rolling stock could arrive too early, and you end up looking at sub-efficiency in terms of how you plan it. There is a lot of opportunity to bring that together with an overarching strategy. To come back to some of the points you have made today, that will provide evenness of investment profile and certainty to the supply chain—not just the infrastructure supply chain, but rolling stock builders. Linking that with the renewals, you have a great combination that can deliver even better value for money.

Q56 Laurence Turner: We are all waiting for the Government's wider industrial strategy. What role should the development of the long-term plan for the railway play in the development of that wider Government strategy, including support for the UK's industrial base and infrastructure assets?



Sir Andrew Haines: We can play quite a significant role. For me, the big breakthrough is around technology. That applies to renewals and maintenance activity as well as to enhancements. Sustaining the technology shift is one of the areas where the railway has barely scratched the surface yet. Understanding the extent to which there is sustained Government support for that technology shift will be critical to delivering efficiencies in the next five and 10 years. Fragmentation of the system has held us back in that regard in investment horizons, the track-train divide and the inability to guarantee that you will be able to realise the return on investment. If we sort all those things through GBR and we have a clear and coherent industrial strategy it puts it on a much stronger footing.

Q57 **Laurence Turner:** Would you say we are behind the curve on technological adoption compared with other countries?

Sir Andrew Haines: All of those factors have meant that in certain areas—not everywhere—that is absolutely a factor. On simple things like ticketing, it is manifest to anyone who travels across the network in Europe, never mind much more globally, that we are very much behind the curve in that regard.

Q58 **Chair:** Sir Andrew, you are retiring from Network Rail in October after seven years. What do you think your legacy will be, particularly around the changes to Network Rail's regional structure—briefly?

Sir Andrew Haines: I am trying not to think about it. I returned to the railways after nine years in aviation convinced of the need for a different structure and model. I am very proud of the fact that we have managed to sustain the concept of Great British Railways. We are now on our fifth Prime Minister in my seven years, and for all of them to accept the need for track and train to be joined up together is fundamental. I have been around long enough to have seen the railway broken up. There were real benefits in a privatised, fragmented structure all the time we did not have capacity constraint, but all transport planning and economics demonstrates that when you have congestion in your system you need to optimise the network. You cannot just throw more money at it to get more return. If I have helped sustain the case for Great British Railways through a time of unprecedented political upheaval, that is something I will be proud of.

Chair: Thank you very much. That brings our first panel to an end. Thank you for all your evidence and the time you have spent preparing for today. If there is anything you feel you would like to add, please write.