

Creating great railway stations

**RDG Stations Summit
Norrie Courts, Network Rail Stations Director**



The Challenge

- Rail travel on the increase – predicted 2 billion customers by 2020
- Station Customers – passengers, visitors, surrounding communities
- Stations (all sizes) play a key part in customer rail experience
- Stations are of national importance to government, public and local economies
- Ongoing future investment required to deliver:
 - Fit for purpose operational requirements
 - Customer needs and expectations
- More station investment = better customer experience (NRPS)
- Future restricted Government funding
- There are over 2500 stations across the country of different sizes, facilities and customer use but no clear routes for 3rd party investment.



The Station Opportunity

Well designed stations:

- Provide enough capacity for rising passenger numbers
- Updated operational environments – security, digital information
- Create great customer environments & destinations
- Deliver better asset management – upkeep, cleaning, security
- Good connectivity for local areas & gateways to business
- Support sustainable economic growth
- Create space for people to live, work and play
- Increase regeneration in local areas & improve perceptions of towns and cities
- Great opportunity to showcase a cohesive forward thinking rail industry



Project Osprey

Creating great railway stations that are fit for operational requirements and allow the delivery of an excellent customer experience

- Over 850 million station users and growing rapidly
- 50% of total passengers travel via a strategic station
- 1,000+ direct staff and they are complex business units
- Project Osprey in Stage 3 – focus on 18 stations managed by NR
- Strategic Outline Business Case approved by RIB and going to BICC
- Key aim – Finding an investment solution that can be used for wider roll out across all stations
- Project being led by NR Stations Directorate
- Directorate ensures NR strategic focus and national consistency ref operational requirements and customer experience



Objectives/Critical Success Factors

Objectives		Critical Success Factors		CSF Weighting
1	Enable the safe and sustainable growth of stations to meet long-term capacity increases	1a	Not prejudicial to railway operations or customer safety	Critical
		1b	Encourages investment to achieve required station capacity enhancements	Fundamental
		1c	Effective governance to facilitate efficient and effective asset management and change, including growth of the railway	Fundamental
2	Improve customer experience in a better station environment	2a	Effective operating model to manage stations and their interfaces holistically	Fundamental
		2b	Indicates a long lasting (or long term) positive effect on passenger satisfaction scores	Fundamental
		2c	Encourages timely optimisation of integrated commercial and customer opportunities	Fundamental
3	Drive socio-economic benefits for the wider community and surrounding area	3a	Encourages partnership and collaboration with local business, councils and interest groups	High
		3b	Protects and supports the connectivity of the station as a hub for the community	High
		3c	Acts as a catalyst for other investment in regeneration and development activities (e.g. housing, local jobs etc)	High
4	Maximise Value for Money and minimise the impact of future investment on the taxpayer	4a	Maximises the value of assets sold/retained	Very High
		4b	Best use of future Government subsidy	Very High
		4c	Reduces PSND	Medium
		4d	Reduces PSNB	Medium
		4e	Generates long-term operational, capital and financing efficiencies	Very High
		4f	Facilitates access to third party capital	Very High

Investor Appetite

Multi-dimensional equity story

Operational infrastructure

- Long term investment opportunity
- Opportunity for increased efficiency and improved performance
- Would require some form of regulation (e.g. following RAB model)

Commercial / retail

- Proven opportunity
- Untapped potential
- Significant, growing footfall
- Prime locations
- Changing consumer behaviours positive

Development opportunity

- Prime City Centre locations
- Commercial & housing opportunity
- Iconic listed buildings
- Complex OSD linked to station operation

**Increasingly compatible equity story
given growing infrastructure
investor appetite for transport retail
(airports, Grandi Stazioni)**



**Development
appeals to specific
investor types**

Indicative Osprey timeline

- **January 2016**
 - Strategic Outline Business Case (SOBC) commenced
- **October/November 2016**
 - SOBC endorsement sought from DFT
- **January 2017**
 - Outline Business Case (OBC) in draft
- **February 2017**
 - OBC to NR EXCOM
- **March 2017**
 - OBC to NR Board
- **May – October 2017**
 - OBC to Government

NR Stations Directorate

Our vision

To create great places that meet the needs of the railway and deliver a safe and excellent experience for all our customers whilst optimising value to the industry and taxpayer

Our Key Objectives

Improve
Safety

Contribute to the
needs of the
operational railway

Improve the
Customer Experience

Add and
optimise value

Enhance NR
reputation

Our Strategy

To deliver key workstreams that contribute to the achievement of the vision and key objectives

Our Key Workstreams

Project Osprey

- Better Management models for stations
- New 3rd party investment to deliver stations fit for purpose
- Debt & deficit
- ORR
- VFM

Station Strategy

- Documented NR Station Strategy
- Master Planning guidance document
- Complete modelling of Stations Strategy
- Support Station Transfers
- **Programme Sponsor** Stn Inv Programme

Customer Experience

- Documented Customer Experience Strategy
- Customer Experience Plan including funding choices for the business
- Delivery of Station Customer Service Training
- Stakeholder engagement plan

Station Operations

- Managed Station Manual Review
- Lead CP6 QX
- Soft Services Implementation
- Co-ordination of National Station Operations
- Station security policy

Station & Depot Leasing

- Own NR strategy and policy for Station and Depot leasing
- New franchise awards
- Technically direct and support Route Portfolio Surveyors and other stakeholders
- New stations and depots leasing projects

Note: There are others but these are key

How we deliver

Clear scope and realistic project/workstream plan recognising limited resources for each that is reported against regularly, with clarity on how we engage people internally and externally through robust stakeholder mapping

How we measure

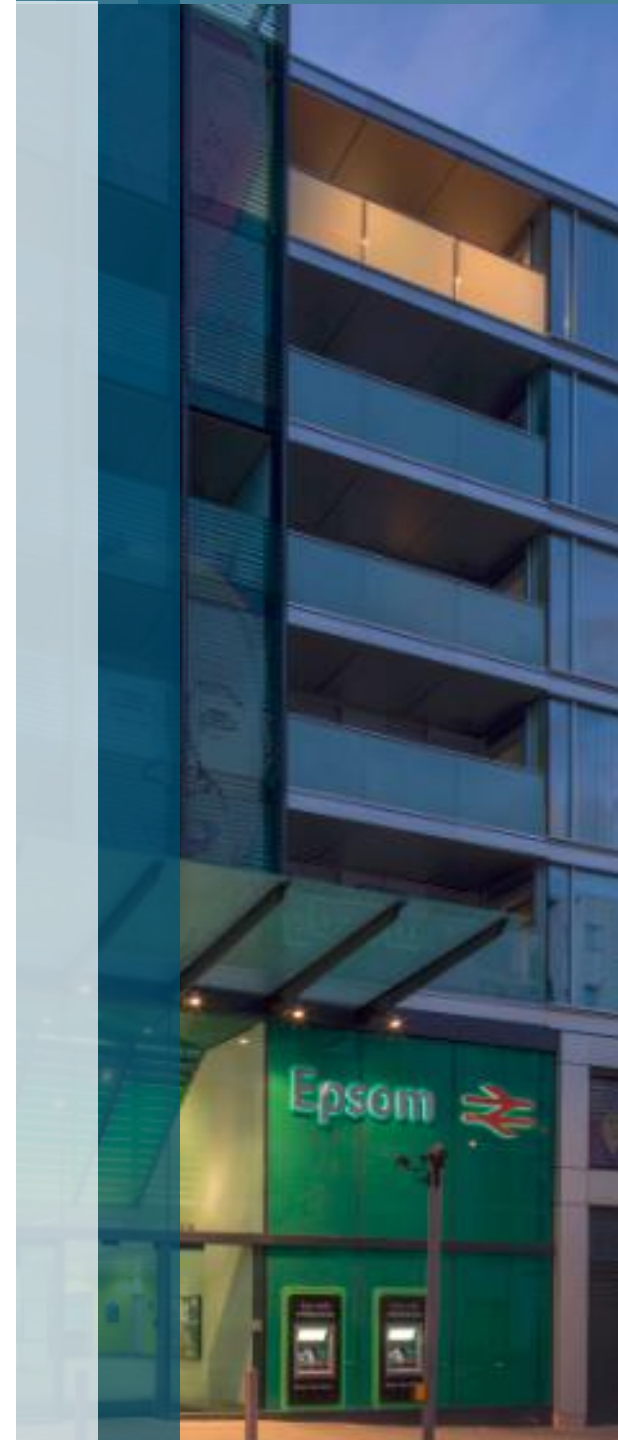
Report progress at weekly meetings, via the Balanced Scorecard (Station Project milestones), at QBR and via Governance as defined in project scope

Stations Directorate: Working with the routes – delivering station enhancements



Summary

- Work together to deliver the RDG Vision for Stations
- All parties to focus on station customers and how we can improve their experience
- Obtain approval for Osprey option(s) that deliver better management models which will allow 3rd party investment into strategic stations
- Be clear on station investment priorities – CP6 IIA
- Consistency of approach to other 3rd party investment in stations
- Keep progressing AfA and NSIP improvements
- Be open to change and think longer term



Thank you

