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

## 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

Blairhill AfA

Chelmsford NSIP

Ipswich NSIP
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