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Network Rail chiefs share £600,000 bonus

By Rose Jacobs

Four Network Rail directors are to get a total of more than £600,000 in bonuses under a long-term incentive scheme.

While David Higgins, chief executive of the owner of the UK's rail infrastructure, did not qualify for a bonus, Patrick Butcher, finance director, will be awarded £168,000 and three other directors slightly lower sums.

The decision follows a row in the summer over pay at Network Rail, which led to the taxpayer-funded company dropping plans to introduce a new bonus scheme that would have seen executives get more than £14m in payouts if targets were met.

The rail regulator had questioned the soundness of the scheme.

Network Rail said on Tuesday that the bonuses, awarded under the old, 2009 incentive system, were just part of what they might have been because of "some safety and train performance issues".

While the directors – including the managing director for network operations, the MD for infrastructure projects and the group strategy director – qualified for 100 per cent of the payout, the remuneration committee cut the sums by a fifth because of safety and performance.

The company added that the bonuses represent "0.12 per cent of the £526m of taxpayer savings achieved by the company".

Michael Cortes, head of the TSSA transport workers union, said: "As passengers faced a 4.2 per cent fare increase in January, they will be puzzled why the people who cannot make their trains on time are rewarding themselves with taxpayers' money."

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