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Network Rail carpeted for poor performance

By Mark Odell, Transport Correspondent

Senior executives at Network Rail have been summoned by ministers to explain increasingly poor performance after the rail regulator said the company was falling well short on punctuality and was also set to miss its efficiency targets.

Norman Baker, rail minister, said he was “dismayed to learn that Network Rail is still failing to tackle deterioration in the punctuality and reliability of the network”.

He said he planned to tell Sir David Higgins, outgoing chief executive, that the company “must do better”.

In a damning assessment, the Office of Rail Regulation said that the track owner was still short of punctuality targets in all of England and Wales and would also fail to meet its efficiency targets for the year.

Richard Price, chief executive of ORR, said one of the main reasons for the shortcomings was Network Rail’s decision to axe 2,700 jobs at its maintenance depots without ensuring it had the technology in place to cope with the reduced staffing.

“You do not want to be a regulated company missing your output performance targets [punctuality] and your efficiency targets,” he said.

Network Rail, which is technically private but receives direct public subsidy of £4bn a year, agreed that it had cut too fast but insisted it was also a victim of its own success – rail usage has doubled in little over a decade and punctuality stands at 87 to 91 per cent.

“We accept that we drove too hard to deliver the regulators targets for savings in our maintenance arm and have since reversed some of the decisions made,” Network Rail said in a statement.

“Train performance is still, by historical standards, at a high level – last year was the third best year ever recorded – but we know we can do better, especially on our long-distance routes.”

Network Rail’s executive bonus scheme is dependent on the company hitting certain regulatory targets.

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