

Statement to Parliament: Rail infrastructure funding: 2019 to 2024

I am today (20 July 2017) publishing my [high level output specification](#) (HLOS) and initial statement of funds available (SOFA) for the railway for control period 6, which covers the years 2019 to 2024.

The government is determined that the railway becomes more focused on issues that matter most to passengers – such as punctuality and reliability. A more reliable railway also plays a critical role in underpinning economic growth and bringing the country together. The government is committed to taking action to achieve these outcomes.

The HLOS is therefore focussed on the operation, maintenance and renewal of the existing railway – the areas of activity that will deliver a more reliable railway for passengers. The government is already delivering significant enhancements to the railway, including High Speed 2 and Crossrail and it expects to continue to invest in the enhancement to the wider rail network in the next control period. In light of the findings of the [Bowe Review](#), which emphasised the need to enable better planning, cost control and alignment with the needs of users of the railway, government will take forward the funding of these enhancements separately. The government is developing a new process for delivering enhancements and intends to publish more information on this in the autumn.

On the basis of independent advice from the Office of Rail and Road, as well as from the rail industry, the government has agreed that an increased volume of renewals activity will be needed over the course of control period 6, to maintain safety and improve on current levels of reliability and punctuality, which in places fall short of the levels that passengers rightly expect. This enhanced programme of renewals will be supported by appropriate volumes of operations and maintenance activity required to maintain safety and improve the reliability and punctuality of train services.

Before committing to the specific levels of funding required, I have decided that the government requires more assurance on the likely costs of the work programme. Network Rail's progress on improving its efficiency in recent years has fallen short of my expectations. Improving efficiency is vital if we are to maximise the value of taxpayer spending on the railway in driving improvements for passengers and freight shippers.

The government will therefore carry out further work to examine the approach to setting appropriate levels of maintenance and renewals activity for control period 6 and to improving Network Rail's efficiency. This will enable me to confirm the extent of government's funding envelope through the publication of a statement of funds available by 13 October 2017. This work will draw on a number of sources, including the new independent review of progress on efficiency planning which the regulator has commissioned

Alongside the publication of the HLOS, I am issuing [new statutory guidance to the independent Office of Rail and Road](#). This sets out my priorities for rail regulation. These include supporting the ORR's work to improve Network Rail's efficiency and improving the experience of users of the railway.

I am arranging for copies of the HLOS and SOFA, and of the statutory guidance to the Office of Rail and Road, to be placed in the libraries of the House.