

The UK Rail Industry: A Showcase of Excellence

**BUSINESS
IS
GREAT**
BRITAIN



Today, nearly
20%
of all European
passenger
journeys take
place within
the UK



UK rail: the facts



Track kilometres
32,000



Stations
2,500



Trains
4,000



Daily services
20,000



Passenger kilometres
58 billion



Passenger journeys
1.5 billion



Freight tonnes
110 billion

A World-Class Rail Network

The UK rail industry has undergone a radical transformation over recent years to become one of the safest, most reliable and most punctual rail networks anywhere in the world. In a regional context these achievements are reflected in higher passenger approval and safety rankings than key European competitors.

Today, nearly 20 per cent of all European passenger journeys take place in the UK. This also makes the network the fastest growing in Europe. Rail passenger growth has outperformed population and employment growth and is double the rate of growth of GDP.

Europe's most improved railways

1st UK
7th Germany
10th France
23rd Italy

Source: European Commission

Europe's most satisfied rail customers

Finland	80%
UK	78%
France	74%
Germany	51%
Italy	39%

Source: European Commission

Passenger and workforce fatality rates - major European railways

Fatalities per billion train kilometres (2007-11)

UK	2.6
Germany	12.3
France	17.3
Italy	31.3

Source: Eurostat

Best for improvement

Britain's railways are the most improved in Europe, according to a 2013 European Commission study across the European Union's (EU) 27 countries.

The study looked at how railways in Europe have progressed and improved since the 1990s, based on 14 factors. Britain came top in four of the factors (growth of modal shift, growth of satisfaction, growth of kilometres per line and safety); second in one (growth in employment); and third in two (growth of productivity of labour and improvement of subsidy efficiency).

Best for customers

The UK's railways are ranked as one of the best major networks in the EU, according to a major passenger survey conducted by the European Commission in 2013. Of the 26 EU countries surveyed, only Finland with its smaller, less complex rail network scored higher overall than the UK. The UK topped Europe's seven major railways in the areas of punctuality and reliability, information during journeys and accessibility.

Best for safety

The UK has one of the safest railways in Europe. Safety is at the heart of how the railway is designed and managed. EU statistics show that from 2007 to 2011 there were 2.6 passenger and workforce fatalities per billion train kilometres – the lowest in the EU.

Network Rail continues to invest in safety and has, for example, invested £130 million to make level crossings safer or to close them.



£3.2 billion increase

in passenger revenue, **96%** the result of passenger growth

37% increase

in passenger journeys per train operator employee

20% more services

daily on the same rail network as compared to 15 years ago

Figures compare 97/98 to 2011/12
Source: Office of Rail Regulation, National Rail Trends

Best for cost efficiency

Significant investment and an industry focussed on attracting more rail users is generating passenger growth levels unseen for 80 years. Passenger revenue has risen by £3.2 billion over the last 14 years, 96 per cent of which is passenger growth with only four per cent coming from fair changes. Similarly, passenger journeys per train operator employee have increased 37 per cent in the same period resulting in greater cost efficiency. This growth is creating a virtuous circle of record levels of revenue, reduced subsidies and sustained reinvestment to pay for more and better services.



A Transformed Network

Since privatisation 20 years ago the UK rail sector has seen an outstanding transformation. Passenger kilometres and journeys have more than doubled, there are 4,000 more services a day and revenue generated from ticket sales has grown to record levels.

Privatisation - 20 years on

4,000 more services per day



Ticket sales up 1,000%

Ticket revenue £7.7 billion

Rail freight transport
100 million tonnes a year

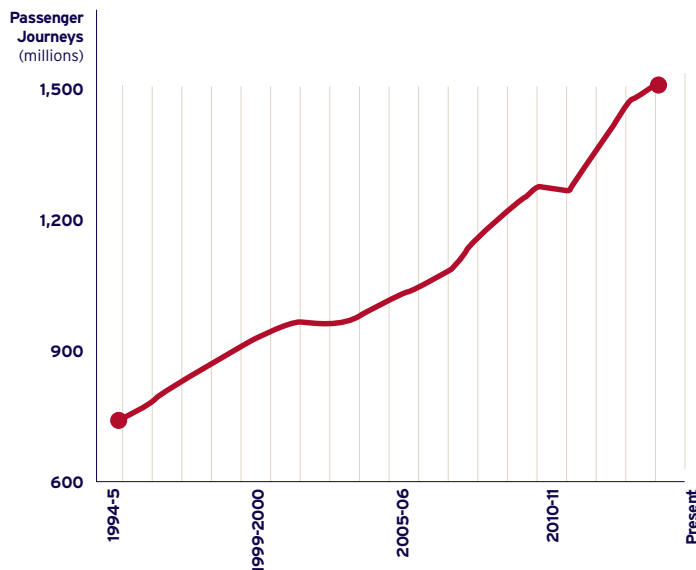
this is an increase of
60%

200,000 UK jobs



Record Investment

Overall passenger growth



Source: Office of Rail Regulation



140,000 more journeys in urban areas during peak hours



1,000 additional kilometres of track being electrified across the UK



565 kilometres of new railways to be delivered between 2026 and 2032



1.5 million more people within a 45 minute commute to London via Crossrail

Investment in the UK rail sector is at record levels. Network Rail, the owners and operators of the UK's rail infrastructure, will spend £38 billion in the next 5 years on operating and expanding the network and the UK government has committed over £9 billion to deliver major improvements right across the country. The Scottish Ministers have also committed to a £5 billion package of funding and investment in Scotland's railways between 2014 and 2019. This is the largest investment in the UK rail sector since the Victorian era!

National network investment priorities include:

- the Northern Hub rail upgrades: a £600 million rail investment programme to create up to 20,000 jobs and boost the northern economy by billions of pounds
- an additional 1000 kilometres of track being electrified including the important Great Western and Midland Mainline intercity routes
- a £300 million scheme to electrify more than 160 route kilometres of track in South Wales is being sponsored by the Welsh Government
- a focus on commuter journeys in urban areas with the creation of 140,000 more journeys in the morning peak hours

- the £14.8 billion Crossrail project will bring an extra 1.5 million people to within a 45 minute commuting distance of London's business centres and will create up to 30,000 jobs in central London by 2026
- the Thameslink upgrade in London will have a transforming effect on capacity and connectivity
- investment to meet demand until High Speed Two programmes become operational and deliver 565 kilometres of new railways between 2026 and 2032
- a Scottish Government investment of £353 million for the Borders Railway
- the £600 million New Street redevelopment to create a bright, modern, 21st century focal point for Birmingham
- £850 million of improvements to Reading station, one of the country's busiest

High speed

High Speed Two will, in addition, see around £50 billion of investment across the UK drastically increasing capacity and easing travel between the UK's core cities. Construction of High Speed Two is expected to start in 2017 and will provide a high speed rail connection between London, Birmingham, Manchester and Leeds, forming the 'Y' network.



St Pancras International Station, London's gateway to Europe, reopened in 2007 following an £800 million redevelopment plan that saw it restored to its Victorian era glory. The station is used by 45 million passengers annually. The new station has 13 platforms, six of which are more than 430 metres long and being used by the Eurostar.

Light rail, tram and metro networks

Light rail, trams and metro networks are set to continue to grow strongly in the UK, with passenger journeys on the eight key networks increasing by 9 per cent annually. The London Underground network alone carries more than 1.2 billion passengers every year via 11 lines, 270 stations and 402 kilometres of track, with each train travelling over 184,000 kilometres each year.



Looking forward, the UK rail network will continue to deliver growth, innovation and increased efficiency and capacity in partnership with existing and new investors.

A great place to do business

The UK is the leading European destination for inward investment, attracting one third of the European total in 2012/13 and is acknowledged as the best place in Europe to succeed in global business.

UK Rail: Open for Business

The UK has the most open and attractive rail market in the world for investors. It is a thriving business sector, driven by innovation and competition, focused on building even bigger and better rail systems and enhancing a long-established network. As a significant driver in the UK economy, the rail industry accounts for expenditure of around £12 billion per year.

Against this background of success and growth, significant opportunities now exist to invest in the UK rail sector. There is, of course, still a lot of work to do to deliver the best possible railway network for Britain. At the heart of today's success story lies a strong partnership between the public and private sector. Looking forward, the

UK rail network will continue to deliver growth, innovation and increased efficiency and capacity in partnership with existing and new investors.

Over the next five years, nine passenger franchises are due for renewal offering a secure business opportunity to enter or grow in the UK market. The UK operates a fully liberalised model of rail franchising and welcomes participation from the best transport operators from around the world.

The first two opportunities are the intercity Transpennine and the regional Northern franchises which between them serve 115 million passengers a year over 4,000 kilometres of rail. Both are underpinned by strong government financial support.



Pioneering Rail Innovation

The UK is, and always has been, a pioneer of railway development. It has led rail privatisation and liberalisation and is at the forefront of innovation and improvement. The UK's experience and expertise in rail means it has much to offer the global market. UK suppliers are actively working around the world to build new rail systems and manage infrastructure and operations:

UK suppliers operate globally across

international projects - UK-based companies and suppliers have the skills, expertise and global experience to develop new rail systems or to improve and expand existing ones. They have a reputation for delivery, innovation and providing best-in-class products and services.

Planning, design and project delivery - UK companies are active in international projects at all stages working across commercial and legal services, transport strategy and planning, engineering and design, procurement, programme and project management and construction.

Rail infrastructure and equipment - a broad range of UK companies - from small independents to large, international OEMs (original equipment manufacturers) - supply products and services across permanent way, power and electrification, signalling control and communications, stations and depots. Recognised for the high quality and performance of their products and services, many of the UK's infrastructure and equipment suppliers are world leaders.

Rolling stock - a broad range of rolling stock products and services includes the manufacture and supply of components, vehicle design and engineering services, management and maintenance of rolling stock assets, condition monitoring, retrofit and upgrade services, train financing and leasing, engineering and train driver training solutions. Both Bombardier and Hitachi (which has moved its global rail HQ to the UK) manufacture and export rolling stock from the UK.

Asset management - UK expertise in rail infrastructure asset management is second to none - and the UK Standard, PAS 55, sets the benchmark for modern asset management systems. Railway and track operators around the world rely on UK know-how to deliver major gains in efficiency and make the most of their expensive assets.

Safety and security - today the UK has one of the safest rail networks in Europe. UK rail companies regard safety as a process of continuous improvement. This is achieved through rigorous safety management, along with developing and applying new technologies, solutions and products that minimise risk, injury and accidents.

Operations - a range of companies and organisations are working to improve the passenger experience. This includes both international and domestic train operating companies including Arriva, FirstGroup, Govia, National Express, Stagecoach Group and Serco. As other national railways now look to the

franchise model, international clients are increasingly seeking UK expertise in structural reform and rail operations.

Training - UK rail expertise is much valued and many overseas rail operators now look to the UK for their training and development needs. Training is being delivered to overseas clients by a wide range of UK organisations, including universities and colleges, engineering consultants and contractors and dedicated private training companies.

Innovation - from wide-reaching research and development to new uses of technology in rail products, there is a diverse range of work supporting the transformation of the UK rail industry through innovation.

Research and Education - UK universities play an important role in railway research and education, not just to the benefit of the UK rail sector but rail organisations around the world.



As a significant driver in the UK economy, the rail industry accounts for expenditure of around £12 billion per year

Want to find out more about UK rail?

As part of its role, UK Trade and Investment (UKTI) helps overseas companies bring high-quality investment to the UK's dynamic economy. Through its network of specialists in the UK and British embassies and diplomatic offices around the world, UKTI provides companies with the advice and tools they need to make successful investments in the UK.

To find out how UKTI can help with your plans for investment in UK rail, contact the British Embassy or Consulate General in your country, who can put you in touch with a UKTI representative.

UKTI also supports UK based companies to export products and services overseas. To discuss how UKTI can support your international ambitions please contact

+44 (0)20 7215 5000

Or visit the UKTI website at

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UK Trade & Investment is the Government Department that helps UK-based companies succeed in the global economy. We also help overseas companies bring their high-quality investment to the UK's dynamic economy, acknowledged as Europe's best place from which to succeed in global business.

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