



Supply Chain Update

1st June 2026



Welcome

Tracey Williamson

Group Commercial & Procurement Director



What we'll cover today

Item	Who
Introduction	Clive Berrington, Group Director, Route Services
Safety in the Supply Chain	Sukhy Hogwood, Health, Safety and Sustainability Director, Route Services
National update	Tracey Williamson, Group Commercial & Procurement Director
Regional Reflections & Look Forward	Gerry McQuade, Capital Delivery Director, Scotland Jane Newberry, Strategic Commercial Director, Eastern Liz Baldwin, SID Director, Southern Integrated Delivery Director Cameron Burns, Strategic Commercial Director, Southern Thomas Beeton, Strategic Commercial Director, Wales & Western Stephen Blakey, Strategic Commercial Director, North West & Central
GBR Design	Lisa Calmiano, Programme Director, GBR
Chair's comments	Richard George, Chair, Network Rail
Q&A	Phil Bennett, Commercial Director, Route Services
Summary and close	Tracey Williamson, Group Commercial & Procurement Director

Introduction

Clive Berrington

Group Director, Route Services



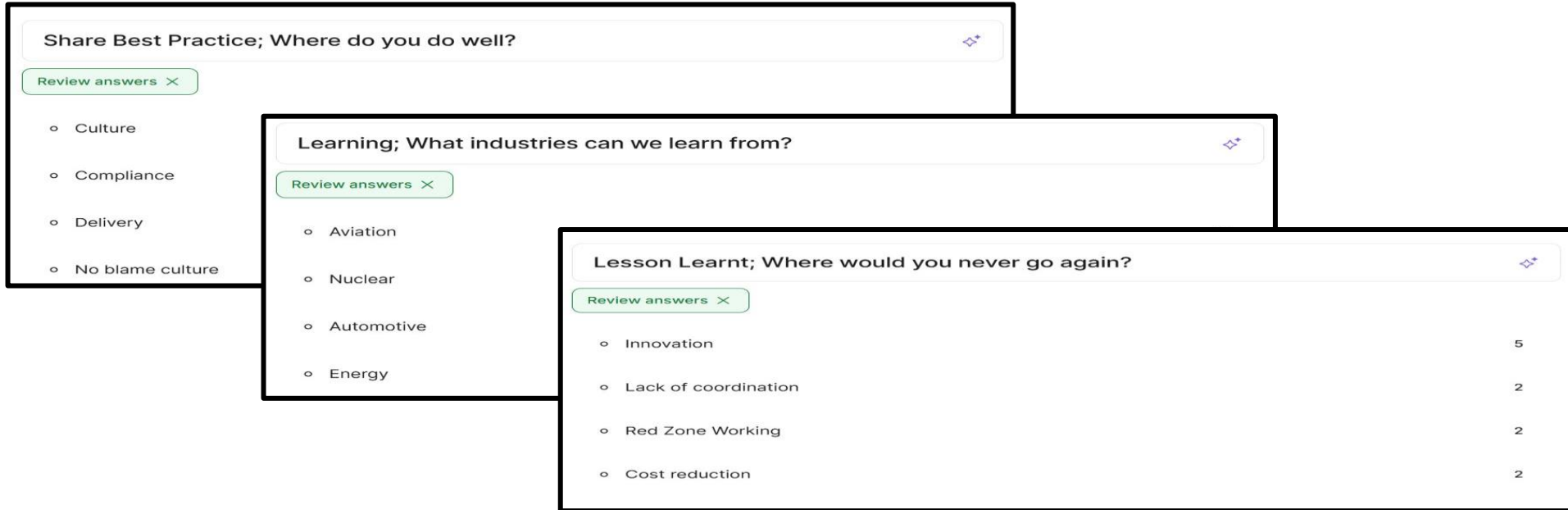
Strengthening Safety Collaboration with our Supply Chain

Sukhy Hogwood

Health, Safety and Sustainability Director, Route Services



You Said, We Did




The image shows three overlapping screenshots of survey results. The top-left screenshot is titled 'Share Best Practice; Where do you do well?' and lists four options: Culture, Compliance, Delivery, and No blame culture. The middle screenshot is titled 'Learning; What industries can we learn from?' and lists four options: Aviation, Nuclear, Automotive, and Energy. The bottom-right screenshot is titled 'Lesson Learnt; Where would you never go again?' and lists four options with their respective counts: Innovation (5), Lack of coordination (2), Red Zone Working (2), and Cost reduction (2).

Survey Question	Option	Count
Share Best Practice; Where do you do well?	Culture	
	Compliance	
	Delivery	
	No blame culture	
Learning; What industries can we learn from?	Aviation	
	Nuclear	
	Automotive	
	Energy	
Lesson Learnt; Where would you never go again?	Innovation	5
	Lack of coordination	2
	Red Zone Working	2
	Cost reduction	2

- Shared Safety Vision
- Culture over Compliance
- Everyone Home Safe, Every Day

A unified way of working

- 
- A vertical decorative line on the left side of the slide, consisting of a series of blue and white rectangular segments arranged in a pattern that resembles a railway track.
- **No-Blame Reporting**
 - Everything is a learning opportunity
 - **Empowered to Intervene**
 - Stop, speak up and fix it
 - **Plan Early, Plan Together**
 - Align with Construction Design Management (CDM), cooperation and coordination is key
 - **Work as Partners**
 - Challenge, Share and Improve together
- **Lead by Example**
 - Visible commitment from us all
 - **Report & Share**
 - Even when it feels minor
 - **Coordinate our work**
 - Clear roles, competent people, safe systems
 - **Contribute to Learning**
 - Let's share our common lessons learned widely

Call to Arms?

- **Together** we are so much safer
- Please keep the conversation going – not just 5 minutes
- Everyone Home Safe, Every Day – **let's commit**

National Update

Tracey Williamson

Group Commercial & Procurement Director



Supplier spend

Spend in FY25/26 decreased by 7 % compared to FY24/25.

In cash terms, spend is 4 % lower however, when adjusted for inflation the spend is 7 % lower.

	CP6 Average	FY24/25(m)	FY25/26(m)	Var £(m)	Var %	CP6 avg var %
Total	£9,451	£9,234	£8,577	-£657	-7%	-9%
Opex	£3,411	£3,761	£3,552	-£209	-6%	4%
Capex	£6,041	£5,472	£5,025	-£448	-8%	-17%

constant prices

- Our Full Year FY25/26 supplier spend is 7 % lower in constant prices than FY24/25. In cash terms it's a 4 % reduction
- Spend is broadly in line with the Delivery Plan and reflects a planned transition in delivery profile rather than reduced activity overall.

Top 10 Spend Categories

The spend profile remains broadly consistent with previous periods, driven by factors such as prior year stockpiling, the timing of larger signaling projects and continued focus on cost control.

Category	FY24/25 (m)	FY25/26 (m)	Var (m)	Var (%)	CP6 avg var (%)
General Civils	£1,336	£1,172	£-164	-12%	-21%
Utilities	£1,029	£986	£-44	-4%	34%
Buildings	£869	£939	£71	8%	3%
Professional Services	£866	£760	£-106	-12%	-28%
Track	£801	£706	£-95	-12%	-10%
Electrification and Fixed Plant	£708	£694	£-14	-2%	-5%
Signalling	£713	£599	£-114	-16%	-26%
Rail and Ancillaries	£466	£369	£-98	-21%	-15%
Information Technology	£383	£330	£-53	-14%	-11%
Infrastructure Support Services	£295	£320	£26	9%	11%

constant prices

SME Engagement

- Our consolidated FY24/25 spend was 28 %: a reduction on prior years where =/+33 % had been achieved.
- Direct SME spend for FY25/26 has increased vs FY24/25 from 10 % to 11 %:

	FY25/26 Spend (£m)	Total Spend (%)	Vs FY24/25 (£m)	Vs FY24/25 (%)	Vs FY24/25 (%-point)
Government/Other	80	1 %	-15	-16 %	<1pp
Large	7,559	88 %	-411	-5 %	-1pp
SME	938	11 %	+63	+7 %	+1pp
Total Direct Spend	8,577	100 %	-362	-4 %	

Cash prices.

- Our indirect SME spend is currently being collated and will be shared later in the year.
- We aim to increase SME spend back to the 33 % target and have focussed interventions underway to support achievement

Pipeline

Network Rail Pipeline

The latest published procurement pipeline contains over **500** procurement opportunities with estimated total contact values exceeding **£25bn**.

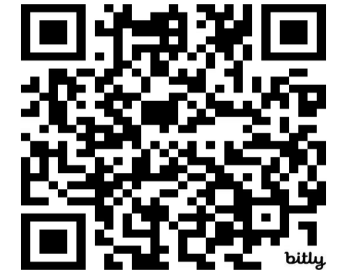
Network Rail Frameworks

The latest published framework document contains **306** frameworks with £18bn spent so far with an estimated **£4.8bn** spend over the next 12 months.

Supply Chain Pipeline

The Rail Supply Group (RSG) Work Pipeline Visibility Charter - commitment to share work pipeline. Thank you to all suppliers who have signed up to the RSG's Pipeline Charter. Those who have yet to sign up, please to do.

Information
on our website:



Details:



Supply Chain Rail Pulse Survey

1. Improving NRs Work & Pipeline Visibility
2. Making Access to Work Opportunities Easier for SMEs/Suppliers
3. Strengthening Communication, Transparency & Engagement
4. Develop Regional Based Approaches To Support Innovation and Adoption of New Technology
5. Streamline Process, Increase Certainty & Reduce unnecessary Bureaucracy.
6. Promote Workforce Retention & Skills Development



Regional Reflections & Look Forward



Scotland

Gerry McQuade
Capital Delivery Director



Supplier Spend: FY25/26 vs FY24/25 (constant prices)

FY24/25 (m)	Var (m)	FY25/26 (m)	CP6 avg var (%)
£616	-£29	£586	-5%

Reflections

- Stable over the first two years of the control period and we are delivering in excess for our key volumes ,
- Our decarbonisation and electrification programmes have aligned with our core renewals portfolio, improving asset integration and smoothing renewals delivery across the later years of CP7.

Looking ahead:

- Scorecard performance for 25/26 has been impressive and we will keep our focus on improving all aspects of our delivery.
- Working more closely across NRs Tier 1 partners and SMEs, building on the progress already made through our Rail Cluster Builder workstreams and looking at opportunities for early engagement in projects..
- A focus on planning our delivery strategy for (FP1) and asking whether we are doing enough. Do we have the right level of innovation, joined-up working and leadership to deliver tougher efficiency targets?
- We recognise the importance of continued engagement with industry forums and the insights they can provide to help us identify the right opportunities early, work more proactively with our supply chain, and build stronger collaboration across the sector.

Eastern

Jane Newberry
Strategic Commercial Director



Supplier Spend: FY25/26 vs FY24/25 (constant prices)

FY24/25 (m)	FY25/26 (m)	Var (m)	Var (%)	CP6 avg var (%)
£2,422	£2,258	-£164	-7%	4%

Reflections

- **Eastern Capital Programmes:** Completion of Beaulieu New Station, major civils and signalling works at Cambridge South has driven slight downturn in spend together with DfT funding decisions affecting the Midland Main Line Electrification programme and the East Coast Power Supply programme works nearing completion.
- **TRU Programme:** Is at its peak delivering major works across the East & West Alliances meaning overall spend in Eastern remains significantly higher than other regions.
- **East Coast Digital Programme:** Reduction in supplier spend as the East Coast Digital Programme transitions from procurement and installation of signalling equipment into the testing and commissioning phase, resulting in lower associated contractor expenditure.

Look forward:

- **FP1 Planning** - Cross region working with Wales & Western and Northwest & Central to align approaches and routes to market. Looking to the supply chain to help us to sell the value that can be achieved through increased investment.
- **Northern Powerhouse Rail** – The King’s Speech commitment to up to £45bn funding over three phases – Phase one: Leed’s connectivity to York, Bradford & Sheffield
- **East West Rail** – Working closely cross-region with NW&C and East West Rail on routes to market for their enabling works and their longer-term strategy.
- **Routes to Market** – We continue to focus on driving efficient delivery through ERP as our preferred mechanism for core renewals and enhancements wherever possible

Southern

Liz Baldwin

Southern Integrated Delivery Director

Cameron Burns

Strategic Commercial Director



Supplier Spend: FY25/26 vs FY24/25 (constant prices)

FY24/25 (m)	FY25/26 (m)	Var (m)	Var (%)	CP6 avg var (%)
£960	£968	£8	1 %	-22 %

Reflections

- Over the last two years the Southern Renewals Enterprise (SRE) has been delivering high volumes of work consistently every week and are on target to meet the volume commitments for the Control Period
- The SRE has achieved high levels of quality however we need to work on swift delivery of the Health & Safety Files
- We have delivered fantastic performance on Carbon Reduction (15 %) and Waste and exceptional results on Workforce Diversity (25 %) and Social Value so far
- Reduction in spend from CP6 is predominately due a decrease in Enhancements spending. Renewals is consistent with CP6 levels

Look forward:

- We expect current supplier spend levels to be maintained this year but drop slightly in the last two years of the Control Period (in line with the Control Period funding settlement).
- We anticipate that the benefits of the SRE will accelerate into later years of this Control Period and FP1
- Whilst we have achieved a significant level of efficiencies we still have more to do to reach our targets
- Forthcoming procurement for Civils Examinations, Track Maintenance and Electrification & Plant Minor Works
- We are not expecting significant levels of Government funded Enhancements in Southern

Wales & Western

Thomas Beeton
Strategic Commercial Director



Supplier Spend: FY25/26 vs FY24/25 (constant prices)

FY24/25 (m)	FY25/26 (m)	Var (m)	Var (%)	CP6 avg var (%)
£804	£721	-£83	-10 %	-20 %

Reflections

- There has been an overall change in the shape of the workbank. There has been some reductions in renewals programme over the first two years of CP7, to support Project Brunel activity in the Thames Valley area. The benefits of this have been realised with performance stabilising, and Network Rail W&W exceeding our regional performance scorecard in FY25/26
- To counter the above there has been a slight increase in 3rd party enhancements investment. Including schemes like Brabazon Arena and Charfield. We have directed the enhancements works via our renewals and enhancements frameworks, to soften the blow of the decreases. There has been no real change to the DfT enhancements pipeline. With the majority of spend focussed on Oxford phase 2.
- There is an overall reduction vs CP6 which were significantly higher due to W&W having 2 major programmes (Great Western Electrification and Crossrail).

Look forward:

- We are working with other regions on FP1 planning. We are planning to engage with the supply chain, via Industry Bodies, and directly, as we plan our strategy for the future frameworks that support delivery of value to the business.
- There will be an improvement in enhancements spend towards the back end of the control period. Driven by MetroWest; Cowley Plus; and potential Burns Stations.
- We are also looking at opportunities to improve alignment with TfW on Capital Spend (alongside GBR with GWR).

North West & Central

Stephen Blakey
Strategic Commercial Director



Supplier Spend: FY25/26 vs FY24/25 (constant prices)

FY24/25 (m)	FY25/26 (m)	Var (m)	Var (%)	CP6 avg var (%)
£1,007	£860	-£146	-15%	-32%

Reflections

- Supplier spend has been impacted by inflation, renewals deferment or cancelation and delay in third party funding from external clients
- The Capital works portfolio has achieved good financial & volume performance and '£s-in-the-ground' is improving across enhancement and renewals
- Cost targets have been achieved for key volumes in Track, Earthworks, OLE and Structures. Work-bank stability has increased in the later part of the year

Look forward:

- Further stability/certainty for Year 3 Renewals, now managed as an annual portfolio with regular forums with framework suppliers on work bank
- Intention to go further for an integrated work bank programme for the balance of CP7 to embed the programme approach for further delivery cost efficiencies and improved renewals rates with new performance metrics .
- Improved pipeline and work-bank visibility via quarterly publications alongside an annual supplier spend report
- Joint annual NW&C SME Supply Chain Networking event (26th June '26) and next NWC capital works conference in October '26.
- Strengthening engagement & communications with the Trade Associations as we develop our commercial, supply chain and delivery strategies for FP1

GBR Design & Development

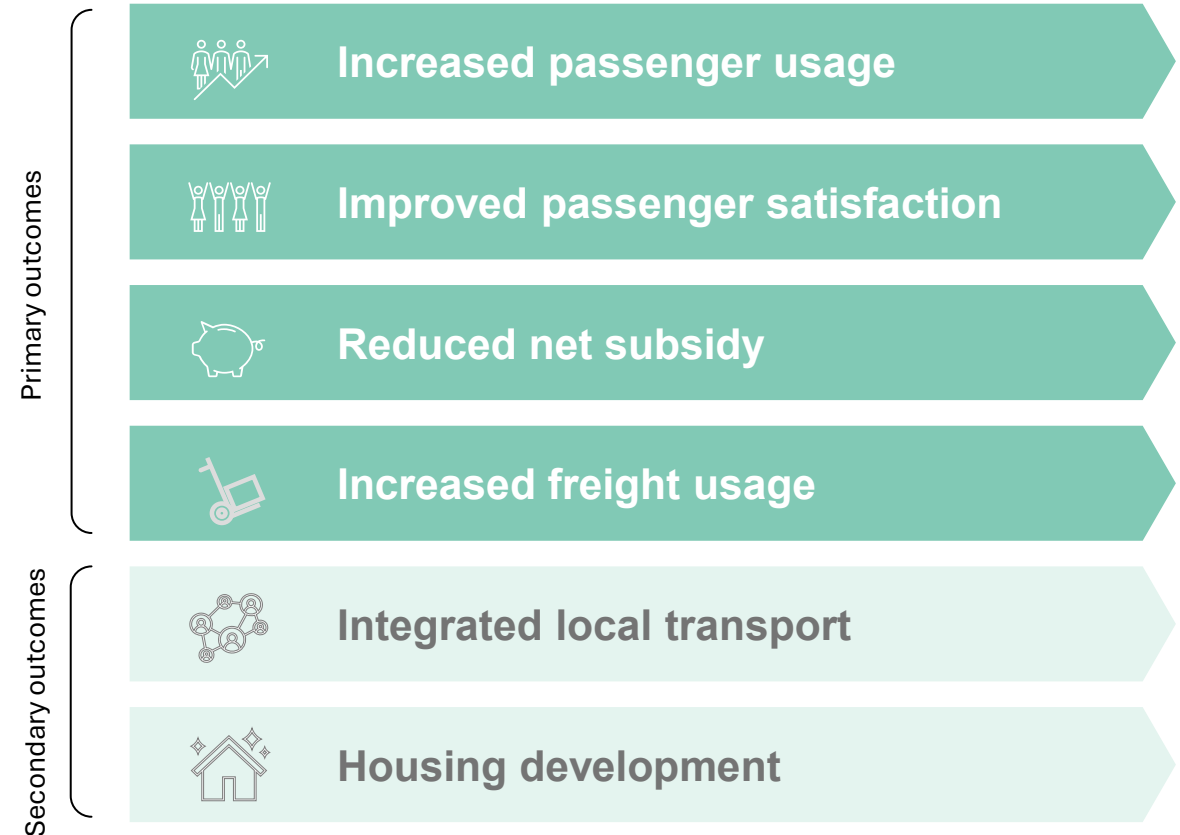
Lisa Calmiano
Programme Director, GBR



GBR – building a railway fit for Britain

- The current rail system is highly fragmented. Currently no single body can be held accountable for delivering outcomes.
- GBR will provide the structural and cultural change needed to move the railway from a fragmented system with short term decision making, to one that is integrated, customer-focused, financially sustainable and able to develop longer term strategy
- GBR is a means to end. It will be outcomes-driven from Day One.
- Design choices are focused on achieving Rail Change Portfolio Outcomes.
- Our plans are based on:
 - External reviews, especially Williams
 - International comparators
 - Domestic comparators

Rail Change Portfolio Outcomes



Underpinned by a commitment to maintain safety and security across all aspects of rail

What is GBR Day One?

The Transport Secretary agreed that GBR Day One 'is when GBR gains clear accountabilities and can discharge its duties' as set out in the Railways Bill, targeting a date of 2027. The table below gives a high-level summary of the key functions and capabilities GBR will need to discharge by Day One.

Access and Use	Allocate capacity and set timetables, including for freight.
Finances	Manage whole industry finances within a financial framework agreed with government. Grow and manage revenue.
Operations & Performance	Develop whole system performance plans. Plan and deliver effective asset management. Use integrated business planning framework to deliver whole system decisions.
Customer offer & revenue	Develop and implement unified passenger proposition, Target growth at national/local level.
Fares, ticketing and retail	Accelerate simplification to fares and ticketing. Optimise fares and manage yields.
Workforce & culture	Begin embedding a passenger & service-led culture into GBR's workforce and wider sector.
Track and Train Integration & accountability	Hold a single person accountable for performance and safety at Business Unit and Network level. Continue to deepen integration of track and train.

How do we get to GBR Day One?

Beyond the passage of the Railways Bill, the below sets out some of the decisions and activities that will need to happen to make Day One achievable

<p>Legal and corporate structure Finalising how GBR will be structured as a corporate entity on Day One, and how NR, DFTO and Rail Delivery Group become part of GBR.</p>	<p>Financial framework Determining GBR's financial flexibilities, delegations and incentives, including how much flexibility Business Units hold.</p>	<p>GBR leadership team Appointing Chair and CEO and ensuring a wider exec team is in place to support for Day One.</p>
<p>GBR licence Linked to corporate structure development, outlining how GBR's single licence will operate and how Office for Rail and Road (ORR) will enforce against it.</p>	<p>Strategic guidance Providing GBR with clear objectives to ensure it can deliver in line with the Long-term Rail Strategy.</p>	<p>Operating model / org design Building GBR's operating model and ensuring DFTO and NR undergo change in line with the vision of creating a customer-focused railway.</p>
<p>Access and use framework Ensuring the new access framework delivers benefits and reduces risk of challenge.</p>	<p>Regulation / sector change Ensuring new regulatory regime is ready for Day One. ORR reform and Passenger Watchdog setup.</p>	<p>Integrated railways development Continue standing up regional integrated railways and appointing integrated Managing Directors. DFTO and NR creating integrated business plan.</p>
<p>Safety validation Ensuring GBR's design is fully validated in time for Day One to maintain high safety standards.</p>	<p>Governance model Ensuring the governance and DfT sponsorship model supports the level of autonomy ministers want for GBR.</p>	<p>Workforce / people Agreeing approach to GBR's Employee Value Proposition.</p>

GBR design – What we know so far

The GBR operating model has been designed to deliver better outcomes for customers. It will...

Bring track and train together at every level, with single leaders and clear accountabilities

Put decision-making as close as possible to customers

Provide clear leadership for each local area giving stakeholders and partners consistent points of contact

Enable the railway to work as one system

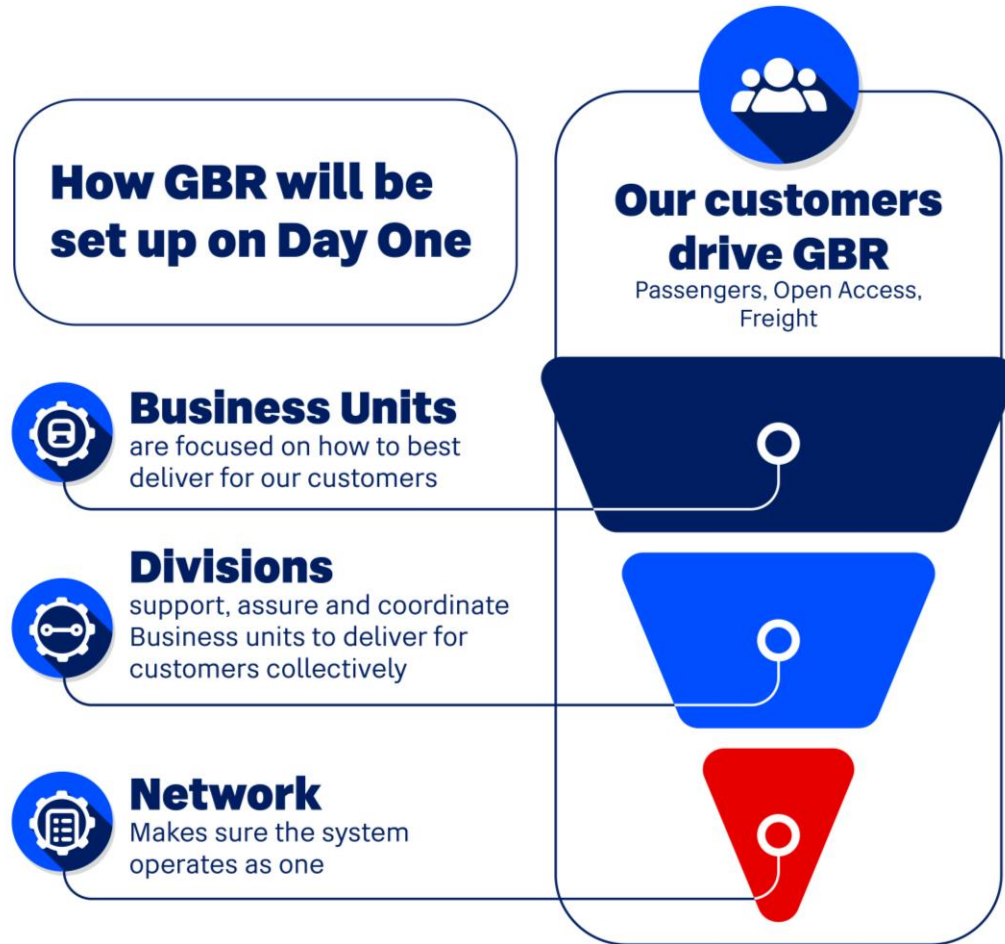
What does this mean?

Decisions are taken with everyone's needs considered in the same room

Moves us from short term thinking to long term strategy – giving partners and stakeholders certainty

The railway is more coherent performs better and is simpler to navigate for everyone

How the GBR Operating Model Works



Business Units will be the powerhouse of our railway. They bring together NR routes and train operators. They will hold full accountability for local operations, customers, safety and financial outcomes.

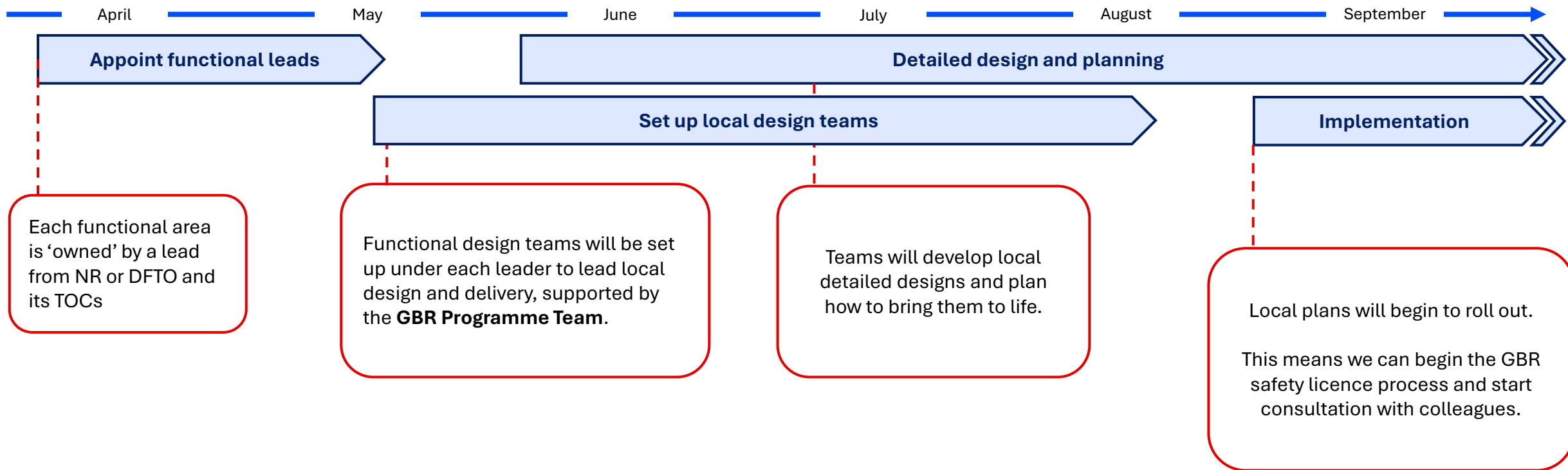
Divisions are responsible for a portfolio of Business Units, supporting them to discharge their responsibilities. They ensure Business Units work together to deliver for customers collectively; providing cross-Business Unit coordination, infrastructure development, problem-solving and assurance so that Business Units deliver safe, reliable services and customer outcomes.

The Network sets the national strategy, standards and frameworks and makes whole-system decisions in the public interest. It provides shared services and assurance, while defining the rules and guardrails within which integrated track and train services are delivered to make sure the railway works as one for its customers.

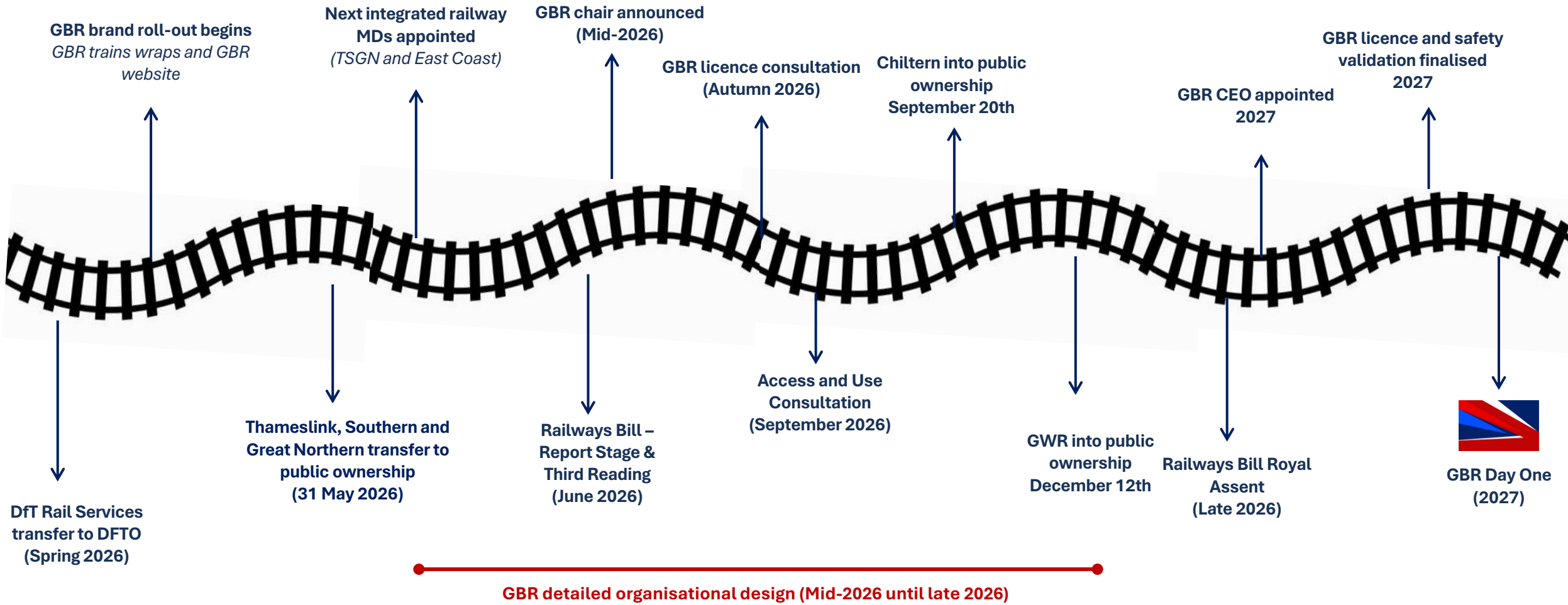
GBR Operating Model Detailed Design

We're appointing local and functional leaders to take the operating model into the next phase - detailed design. They will work with teams across track and train to design how each business unit, division and network function will operate.

Detailed design will focus on the key functional areas needed for GBR Day One, such as Customer and Commercial or Operations and Finance, and what's required to set these up as part of a fully operational organisation.



The Journey to GBR



View the latest *Journey to GBR*
newsletter on LinkedIn and
subscribe for future editions:



Comments from the Chair

Richard George
Chair Network Rail



Q&A

Phil Bennett

Commercial Director, Route Services



Summary and close

Tracey Williamson

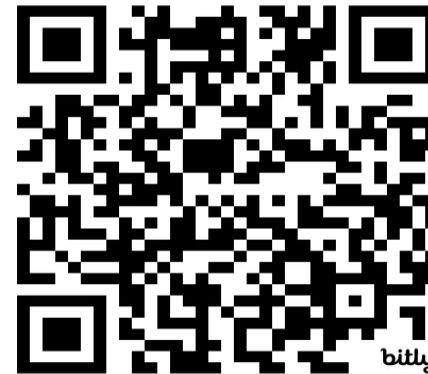
Group Commercial & Procurement Director



Thank you for attending



Supplier information
on our website



Further information

Network Rail North West & Central SME supply chain networking event

On Friday 26 June, Network Rail's North West and Central region will be holding a CECA-sponsored networking event for the SME supply chain. Book your place at the event, which is managed on a first-come, first-served basis by visiting [Network Rail NW & Central SME Supply Chain Networking Event - CECA](#)



Date: **Friday 26 June**
Venue: **Crowne Plaza, Birmingham**
Time: **9.00am - 2.00pm**

This event comprises a plenary session providing both a strategic overview and CP7 pipeline practicalities from Network Rail NW&C and elevator pitches from their tier one suppliers.

This will be followed by a speed-dating session allowing delegates up to eight appointments (15-minutes each) to meet individual tier ones and the session concludes with a networking lunch.

Speed date sessions must be pre-booked and will be allocated on a first-come, first-served basis.

This event is free to attend - to reserve your place [CLICK HERE](#)

For more information contact Alison Shea, CECA NW Operations Director, alison@cecanorthwest.co.uk

This event is being organised by CECA
ceca.co.uk



Re-designed standards website

Our newly re-designed standards website is due to go live at the end of June. At this stage, no action is required. Those with current access to the site will be emailed one week before the new site launches with sign-in details. If you do not currently have access and need it please contact:

STSupplierSupport@networkrail.co.uk

Call to arms – Safety in the supply chain

Health, Safety and Environment Director of Route Services, Sukhy Hogwood, presented on safety in the supply chain, which featured a call for examples of where the supply chain is working closely and successfully with Network Rail to deliver work safely together.

If you would like to share some ideas or examples, in the first instance please contact: Sukhy.hogwood@networkrail.co.uk

Further information

Control Period 7 (CP7) Delivery Plans

You can find information on our CP7 Delivery Plans on our website: [*Our Control Period 7 \(CP7\) delivery plans - Network Rail*](#)

This page features our national Great Britain (GB), which consolidates and summarises our plans for Scotland, our four regions in England & Wales, and our six supporting network-wide functions. Our region and function plans are also available on the link.