Lessons from major rail infrastructure programmes

Geraldine Barker

11 November 2015
About the NAO

• The National Audit Office (NAO) scrutinises public spending for Parliament.

• We help to hold government departments and the bodies we audit to account for how they use public money.

• Our work helps public service managers to improve performance and service delivery, nationally and locally.
Lessons learned from an examination of 5 major rail infrastructure programmes

<table>
<thead>
<tr>
<th>Key facts</th>
</tr>
</thead>
<tbody>
<tr>
<td>£3.6bn to £21.4bn</td>
</tr>
<tr>
<td>range of actual or forecast construction costs of the rail infrastructure programmes we have examined (costs are in different price bases).</td>
</tr>
<tr>
<td>9 to 10 years</td>
</tr>
<tr>
<td>3 to 9</td>
</tr>
<tr>
<td>2.1:1 to 1.4:1</td>
</tr>
<tr>
<td>355 km</td>
</tr>
<tr>
<td>1,255 km</td>
</tr>
</tbody>
</table>
Summary of the issues faced by DfT in these programmes

- Focus on benefits realisation
  - Evaluation of programme benefits and outcomes
- Strategic case for investment
  - Use of economic analysis

Benefits realisation:
- Planning and monitoring progress
  - Setting milestones and realistic plans
  - Using management information
  - Choosing appropriate finance

Business case:
- Programme delivery arrangements
  - Governance roles
  - Impact or governance arrangements on decision-making
  - Integration of all elements of the programme
  - Programme management skills
Clear strategic objectives are needed, but can be challenging to explain and achieve.
Programme delivery arrangements: an improving story but integration and getting enough of the right skills in place remain difficult.
Planning and monitoring progress. We are seeing progress on the use of management information but choice of funding and realistic planning are still an issue
Benefits realisation: there is still a need for a greater understanding of the impact of transport investment and evaluation against the programme’s original objectives
Thank you