BLOG. PIVOTAL YEAR FOR RAIL



UK RAIL INDUSTRY NAVIGATES THE SPRING STATEMENT, ONGOING SKILLS CRISIS, NET ZERO REQUIREMENTS & MORE!

RAILSAFE GROUP

MAY/JUNE 2025

As the new government proposes steps towards establishing a more cohesive and integrated railway system, the UK rail industry is set to endure a period of considerable change in 2025. We discuss the challenges and opportunities to come...

SUPPLY CHAIN CONFIDENCE • The changing face of the UK economy has put new pressures on the country's ever-expanding rail infrastructure, and so it's no surprise that the development of high-speed rail projects remains a long-term trend continuing to shape the UK rail industry; and our own business growth.

Following the £45 billion investment from Network Rail for Control Period 7 (CP7), the UK rail industry can benefit from major projects like HS2 and East West Rail in 2025, which promise significant levels of work and certainty for all areas of the supply chain. However, The Office of Rail and Road (ORR) warned of "mounting pressures on CP7 funding" in its annual financial efficiency report due to overspending in 2024, and if left unaddressed, there is potential for a delay in works, and loss in revenue for rail businesses nationwide.

Thankfully, Network Rail's investment plans over the next 5 years will zero in on the operation, maintenance, and renewal of Great Britain's railway network: *reference CP7 delivery plan*. Made up of over 20K miles of track, 30K bridges, tunnels and viaducts, and thousands of signals, level crossings, and stations, it's no great shock that Network Rail requires the support from over 4,000 suppliers! Like <u>Railsafe Group</u>, 99% of suppliers are based in the UK, of which 75% account for small and medium businesses.

Consequently, we're confident in the huge possibilities for rail businesses to generate new revenue streams in 2025, by taking advantage of the inevitable influx of new project awards, which we hope we will bring financial sustainability, and contribute to long-term economic growth for us all!



"A Better Way To Upskill Your Workforce"

As a pioneering business, we specialise in the supply of multi-disciplined teams and contingent labour across the UK rail industry. Our high-class delivery, planning and operational teams have years of experience in Safe Work planning, Possession and Isolation planning and operation support across some of the biggest <u>projects</u> in the UK.

To find out more about the rail services we offer, please visit Railsafe Group | SERVICES

SKILLS CRISIS • As the UK rail sector continues to level up its workforce, our industry needs to continue building a safety culture that keeps pace with demand and gives its people, the right skills and training to work safely and effectively.

In fact, we develop <u>training package options</u> for rail professionals who require skills and technical training which collectively, help to modernise workforces, utilise in-house skills to improve works delivery, possession management, and changes in standards.

A joint report by City & Guilds and NSAR, indicates that 120K extra rail professionals were required in the years up to 2020, with *demand peaking in 2025*. Given that 28% of workers are over 50, catering to the needs of an ageing workforce, as well as onboarding newcomers, exposes a need for enhanced learning and development throughout the industry.

As the sector looks to bring together more workers from different talent streams, having the right training in place to support staff development, needs to be a long-term strategic investment. This is why Railsafe Group is committed to making ongoing learning the 'new normal' within the rail industry.



Our <u>Training & Education</u> services deliver an expert range of industry accreditations, proudly working with organisations like the City & Guilds, Department for Education, the West Yorkshire Combined Authority and Greater London Authority to deliver Ofqual Regulated rail courses, NVQs and diploma level courses, and leading-edge Health and Safety training, e.g. fire safety and emergency first aid.

We are also proud champions of the next generation and as a business, we intend to play our part in making the rail industry a career destination. For example, Railsafe Group has delivered the first-ever Rail Awareness Course to men in custody at HMP & YOI Chelmsford, to provide a hard-to-reach demographic with the opportunity to get a fresh start in life and rewarding career.

Our training teams actively reach out to young people in and around London, to take part in a range of our specialist Skills Bootcamps; and our Leeds Training Academy continues to engage the next generation with three cohorts of learners studying a specially designed NVQ in Rail Engineering in the North of England. To find out how to upskill your workforce, please contact our <u>Training Teams</u> below:

TRAINING ACADEMIES.

LEYTON: Regent 88, 210 Church Road, Leyton, London E10 7JQ ESSEX: Thames Hub, Thames Industrial Park, East Tilbury RM18 8RH

INFRASTRUCTURE-FIXED DELIVERY VENUES:

LEEDS: 62 Wellington Street, Leeds LS1 2EE KIRKLEES: 7 Northumberland Street, Huddersfield HD1 1RL CALDERDALE: Harrison House, 10 Harrison Road, Halifax HX1 2AF WAKEFIELD: 140-148 Westgate, West Yorkshire WF2 9SR CALL OR EMAIL US 01702 567 283 (opt. 3) training@railsafegroup.co.uk www.railsafegroup.co.uk



SPRING STATEMENT 2025 • Following the Chancellor of the Exchequer, Rachel Reeves, delivering the Spring Statement, there are several key announcements set to impact the UK rail industry:

The Chancellor vows to bring about a "new era of security and national renewal" to kickstart economic growth, protect working people and keep Britain safe.

Budget cuts The Chancellor announced departmental budgets have been lowered from 1.3% to 1.2%, which means by 2029/30, day-to-day spending will be £6.1bn lower than initially planned and result in greater reductions to unprotected divisions like the DfT.

Job cuts The Spring Statement confirmed a 15% reduction in civil service running costs with a view to save £2.2bn annually. These cuts will once again impact unprotected departments like the <u>DfT</u> (Department of Transport) and <u>DBT</u> (Department for Business & Trade) but primarily concentrate on back-office roles with around 10,000 jobs at risk according to the UK government.

Investment The Chancellor has allocated £600 million to provide training to 60K construction workers over the next four years in order to address rising job cuts. Even though the funding is predominantly aimed at the construction sector, there will be huge potential for transferrable competencies to help alleviate the ongoing skills shortages in rail infrastructure projects.

DOWNLOAD THE SPRING STATEMENT 2025



NET ZERO REQUIREMENTS • Establishing the UK rail network as the beating heart of a cleaner, greener transport system, is something we are all striving for in light of Government targets to reach net zero by 2050.

We believe that ALL measures of sustainability will help to ensure that our industry maintains a vibrant, healthy, and sustainable railway.

This might be as simple as looking at ways of reducing waste and improving recycling facilities on the railway or creating more positive workplaces with a feel-good environment and clear vision for the future.

As a business, Railsafe Group is proud of its commitment to the environment having established various initiatives like our annual tree planting initiative to offset a portion of the company's carbon emissions.

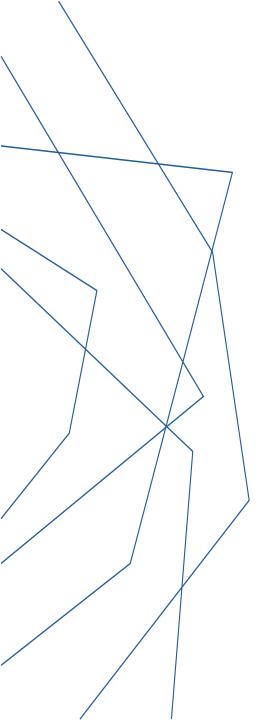
In general, we find that being proactive and monitoring our progress keeps us motivated and enables us to use our lived experience when supporting our clients with their goals; especially when we're involved in high-profile rail projects that require a climate-friendly approach.

Check out our guide to Health & Safety with Railsafe Group's current <u>Key Policies</u>, including:

Environmental Policy 🛣

Sustainability Policy 🖧

Carbon Footprint Policy





STAY SAFE, STAY RAIL SAFE WITH RAILSAFE GROUP

To find out more, please visit <u>www.railsafegroup.co.uk</u>

Thanks for reading!

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