

# [Network between the two locations, it can also](https://assignbuster.com/network-between-the-two-locations-it-can-also/)

NetworkRail is the company that owns and operates UK’s entire railway infrastructure. They are also the biggest stakeholder of the infrastructure. Network Rail’soperation include the maintenance mainly the track, electrification andsignalling also the support and renewal of the railway. Though they havemultiple partners and stakeholders, Network Rail is the primary stakeholder. But this also means the additional partners and companies associated withNetwork Rail also have obligations to support and maintain the railwayinfrastructure.

Anexample of another stakeholder is the Department of Transport. This stakeholderhas control over the funding and the price of train fairs. This ultimatelychanges how much Network Rail receives in revenue to maintain the railway. Thisis vital to the operations of Network Rail, as the funding helps pay for anyrepairs and renewals in the infrastructure. It can also help the company assessways of improving the efficiency and reduce costs. Also, the ability to controlrail fairs whether increasing or decreasing can affect the income for NetworkRail from the Train Operating Companies.

An increase in fairs can create moreincome that in turns funds projects to renew the infrastructure. However, consumers may be less likely to purchase tickets due to the price raise and canhave a negative impact on Network Rail, as consumers believe they have controlover the fairs.  Anotherstakeholder is the Government, their purpose is the implement the law, regulations and procedures to control the railway. This also helps providerequirements to train operators (like Greater Anglia) to achieve and a set timeframe for this to be achieved.

The requirements can seem simple, for example arequirement would be to run 10 trains from Norwich to London within a 3-hourframe. Though this would help increase services between the two locations, itcan also negatively impact the train operator. If a train is to arrive a minutelate or leave later than stated, the operator would be charged a fine. This canvary, but roughly £120/Minute is fined. This also applied to Network Rail, ifany works cause delay to the train operator, the company is also fined a lotmore per minute and must give that money for every operator on that line who isdelayed.

Fines can eventually add up very quickly and become a major issue forboth train operators and Network Rail. Thirdparties are also stakeholders within the rail industry. These include privateinvestors who have large shares of Network Rail. The money invested by privateshares help fund the railway infrastructure. Not only does this benefit thecompany, but also the stakeholders make money on their shares. This makes itprofitable to both Network Rail and the investor/shareholder. Other partieslike suppliers are also responsible for the maintenance, support and renewal asthey either provide the materials needed, expertise and labour.

Though NetworkRail has over 35, 000 employees, so of the work is contracted out to otherexternal companies. They all must comply with Network Rail policies, ensuringeveryone is working to the same standards and both parties are complying withthe correct legislations. NetworkRail must also comply with Data Protection which forces the company to ensurethe data held on an individual is secure and only accessed by authorisedpersonnel. This provides the confidentiality required by law. This ensures thatthe information stored on someone is not used unlawfully (ie fraud) and thatonly the people who need to know certain information can access that. There maybe information stored about an individual that they may not want others to viewfreely.

This may include their gender, sexuality and any mental illnesses. Thisalso applies to any company related information like trade secrets, projectsand other company information. Before any information isstored/accessed/shared, the individual whose information it is must be notifiedand agree to any of the above actions before processed. Acontract is a legal document between two parties, and both parties have theobligation to fulfil everything within the document.

Otherwise, legal actioncan be taken and could create heavy fines. Network Rail has many contracts withthird parties including suppliers and contractors as well as employees. Everyone must comply with the contracts. As briefly mentioned, breaching acontract can cause severe damage to the party causing the break and potentiallythe innocent party in legal fees. There are three main ways to deal with abreach, the other party is entitled to a remedy under the lawref. The firstmethod is for the failing party to pay the other party any damage whethermonetary or not.

Common kinds damage are; compensatory, punitive damages, nominal damages and liquidated damages. Each have different forms ofreimbursement, though they can become expensive for the offending party. Secondremedy is specific performance, this is used if the non-offending party is notin a good position despite paid damages. It is used if the case is rare orunique. The last remedy is cancellation and restitution, allowing thenon-offending to cancel the contract freely and sue for restitution. Restitution is where the party is put back into a place where the contract wasnot breached, and the contract is cancelled, leaving both parties without anyobligations under that agreement. All these are good ways for Network Rail tocontinue providing services and that individuals/businesses are all inagreement, causing no issues.

1 Inconclusion, Network Rail as a company works well. They have support from thegovernment and provided grants to help improvement of the railway and thesupport by private investors. They also have very good relations withsuppliers, allowing for better deals and higher quality materials.