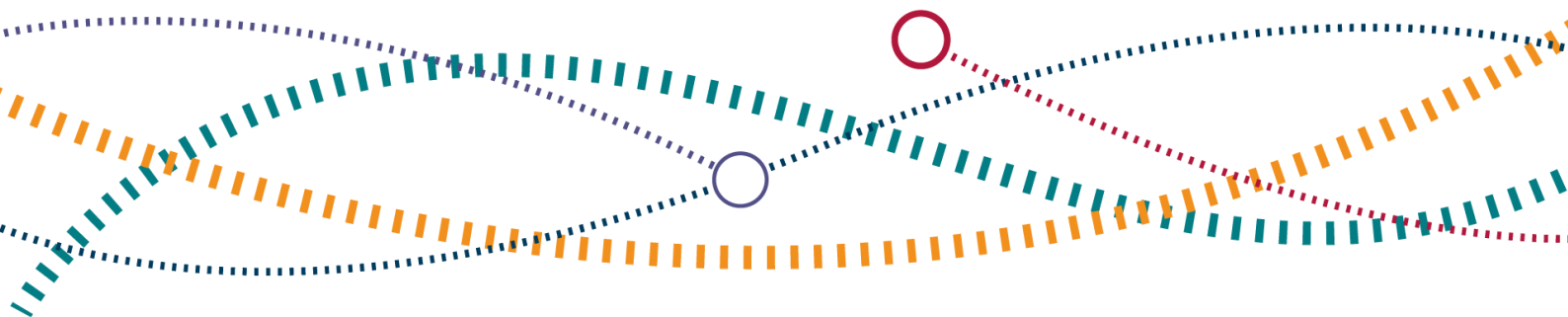




Annual assessment of Network Rail's stakeholder engagement, 2020-21

Wales and Western region – individual assessment

22 September 2021



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Wales and Western region

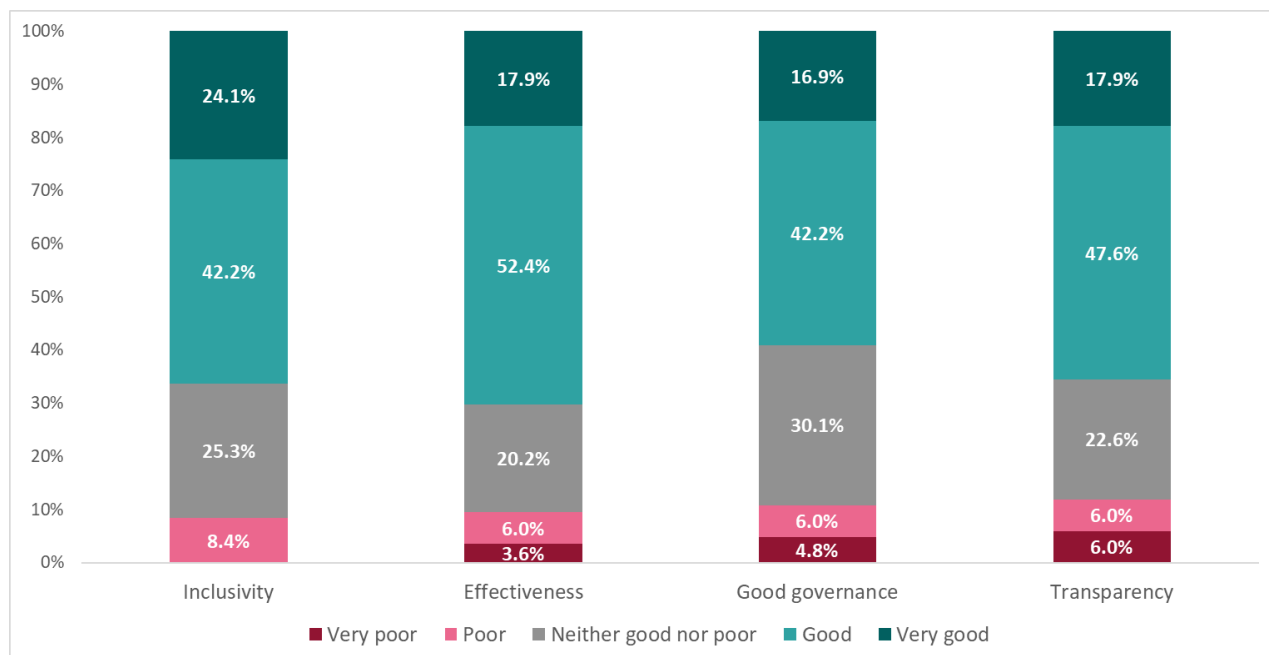
Introduction

- 1.1 This report presents our key findings and recommendations on the quality of Network Rail's Wales and Western region stakeholder engagement during the second year of Control Period 6 (CP6), from 1 April 2020 to 31 March 2021. Alongside this report we have separately published our key findings and recommendations on the quality of Network Rail's stakeholder engagement as a whole during year 2 of CP6, as well as individual assessments for:
- (a) each of the remaining Network Rail regions;
 - (b) the Freight and National Passenger Operators (FNPO) function;
 - (c) the System Operator (SO); and,
 - (d) Network Rail's engagement on its Enhancement Delivery Plan.

Summary

- 1.2 Network Rail's Wales and Western region stakeholders were largely positive about the engagement that had taken place over the year. 76% rated the region's engagement as good or very good; and 56% thought it had improved or somewhat improved. This is broadly in line with Network Rail as a whole.
- 1.3 Across each of the four principles of good stakeholder engagement, there are broadly similar results across the principles of inclusivity and effectiveness and comparatively lower results for the principles of good governance and transparency (Figure 1.1).

Figure 1.1 Stakeholder views on Network Rail's Wales and Western region's engagement across the four principles, 2020-21



Survey question: "In your opinion how would you rate Network Rail's Wales and Western region's engagement with you on Network Rail's Network Licence obligations of inclusivity, effectiveness, good governance, and transparency?"

Source: ORR's stakeholder survey

1.4 The region's own self-assessment shows that it carries out a wide range of activities to engage with its stakeholders, including a bi-annual 'listening programme' where it meets with key stakeholders to discuss what stakeholders think of them; what the region can help them to achieve; and, how it can improve. We understand that this approach is being shared across the region, and we support this. However, the region's self-assessment provided limited evidence in a number of important areas, including:

- (a) There was greater focus on providing an account of activities - what was done, rather than how or why it was done, or the insights or benefits that were obtained, including if success factors were achieved and how this was fed back to stakeholders;
- (b) There was greater focus on what is being planned rather than what has been achieved in year 2 of CP6; and,

(c) That engagement was carried out for the purpose of understanding stakeholder perspectives and using these to improve business processes, rather than to ‘explain’ or ‘advocate for’ actions that the region was planning.

1.5 The region was honest about some internal issues associated with its stakeholder engagement, and stated that not all of its internal stakeholders understood the value of carrying out the self-assessment exercise requested by us. This suggests that a culture of continuous self-assessment and improvement may not yet be embedded.

“It has been difficult to meaningfully engage some [internal] stakeholder owners or for them to understand the true purpose of the process and what value it adds.”
(Wales and Western Self-Assessment)

1.6 Our own experience of the Wales and Western region’s stakeholder engagement throughout the year highlights that it received good feedback from stakeholders on specific incidents, such as management of and recovery from the derailment at Llangennech. The region kept us up to date on changes it was making to engagement for example with the supply chain during the Coronavirus (COVID-19) pandemic. It also provided further information on some stakeholder engagement activities, for example Gypsy Patch Lane works in Bristol. These works replaced Gypsy Patch Bridge to remove a bottleneck on the strategic road network and enabled the MetroBus scheme to connect between Bristol Parkway station and new communities in and around Cribbs Causeway/ Filton Airfield. However, we noted that these updates did not occur on every project and generally covered positive developments at the expense of areas it was looking to improve.

1.7 The Wales and Western region did recognise a number of areas for improvement in its own self-assessment, including:

- (a) Further engagement with the supply chain on its emerging Control Period 7 (from 1 April 2024 to 31 March 2029) plans to identify opportunity for greater collaboration and efficient delivery;
- (b) Embedding the Industry Programme Director roles further in the region through future timetable changes, as well as more operational changes to the railway. These roles were created in year 2 to be the first point of contact for regional third party funders and other stakeholders; and,

- (c) More regular touch points with stakeholders throughout the year e.g. proactive engagement to pick up on feedback identified through its listening programme.

1.8 Our view is that these are helpful, but need to be supplemented by:

- (a) Reviewing whether there are measures in place to ensure that its engagement is accessible to all stakeholders. The region should challenge itself to learn the lessons from its reactive engagement and consistently apply these across all stakeholders, in a proportionate manner;
- (b) Reviewing how its stakeholder engagement systematically influences its plans and priorities in a timely manner;
- (c) Review whether its success factors highlighted across each stakeholder group have been met;
- (d) Reviewing whether governance is properly embedded across the region e.g. across each of the stakeholder groups;
- (e) Reviewing whether transparency is properly embedded across the region and ensuring that data and information are shared in a timely manner to enable meaningful engagement by stakeholders; and
- (f) Reviewing whether the region needs to proactively improve on providing feedback to stakeholders on how their feedback was used.

Key conclusions across each principle

Table 1.1 Summary of key conclusion(s) across each principle

Principle	Key conclusion(s)
Inclusiveness	<p>The evidence suggested that the Wales and Western region's engagement was inclusive, however we have some concerns about whether there was a systematic approach in place to ensure that the engagement undertaken was inclusive of all stakeholders, in a proportionate manner.</p> <ul style="list-style-type: none"> The region demonstrated a well thought out approach to identifying its stakeholders, for example by mapping its stakeholders by type. The region developed objectives for engaging with each stakeholder based on their level of influence and interest. Generally, the region is engaging well through the provision of regular meetings and forums to discuss high level issues and concerns and identifying where it and its stakeholders can both improve. For example, in the region's self-assessment it described the creation of a regional performance board, which includes all passenger and freight train operators in the region. This meeting provided a forum to discuss train service performance improvement initiatives, share good practice and raise any risks and concerns. The South West Resilience Programme (established by Network Rail to improve rail resilience between Dawlish and Teignmouth) case study highlighted in its self-assessment, described mapping all the stakeholders with a specified engagement plan for each grouping. This provided good evidence that its engagement is inclusive and is further supported by the results from our survey (66% rated the inclusivity of its engagement as good or very good, in line with Network Rail as a whole). <p>The region should review whether measures have been adopted to ensure that its engagement is inclusive of all stakeholders, in a proportionate manner.</p>

- The region’s self–assessment provided some examples of tailoring its approach in response to the Coronavirus (COVID-19) pandemic e.g. reactive engagement. For example, the periodic virtual supplier forums were a good example of how the region quickly reacted to the Coronavirus (COVID-19) pandemic and adapted the way it engaged with its supply chain. The forums allowed the region to engage more regularly to cascade urgent and rapidly changing safety information and public health guidance. These were recorded, enabling those who could not attend to hear the discussion.

“The regular, detailed updates to the supply chain were most helpful during the early stages of lockdown.” (A Wales and Western region stakeholder)

- However, a key theme from its own listening exercise, was that the region is good in a crisis but it can be a poor friend when returning to business-as-usual operations. We would encourage the region to review whether there are lessons to be learned from its reactive engagement to ensure that its engagement remains inclusive to all of its stakeholders. This is important to ensure that the true diversity of stakeholder opinion is reflected in its plans and priorities.

Key strengths

- The region ensured it rigorously identified all relevant stakeholders, by mapping them out.
- There are clear stakeholder engagement objectives (e.g. clearly setting why it engaged with each stakeholder based on their level of influence/ interest).

Area for development

- The region should review whether there are measures in place to ensure that its engagement is accessible to all stakeholders. The region should challenge themselves to learn the lessons from its reactive engagement and consistently apply this across all stakeholders, doing so in a proportionate manner.

<p>Effectiveness</p>	<p>The evidence suggested some positive feedback from stakeholders on the effectiveness of the region’s engagement.</p> <ul style="list-style-type: none"> • Feedback from train operating companies on the region’s engagement with them on the development of its scorecard, sheds a positive light on the timeliness of the process for year 2. This is further supported by feedback from our own survey, with 89% of the Wales and Western region's stakeholders stating that engagement with them on business performance, including scorecards, was either good or very good. <p>However, the evidence suggested that the region needs to review how its stakeholder engagement is systematically influencing its plans and priorities in a timely manner.</p> <ul style="list-style-type: none"> • It is clear from the evidence that the region had a range of different approaches for communicating with its stakeholders (e.g. through a range of forums). • An example of good practice is its listening programme which takes place twice-yearly. In its most recent exercise, it spoke to 30 individual stakeholders – including elected representatives, industry partners and Community Rail Partnerships. The region told us that actions and key overarching themes were derived from its conversations, and that changes have already begun as a result of the programme. This is a good example of the region listening to its stakeholders and acting on the feedback received, and we support it being shared across the region. • However we saw little evidence that the priorities of stakeholders were influencing internal thinking and business priorities in a timely manner. The evidence highlighted that the region has developed key success factors for each stakeholder group, however there was no read across to whether these had been achieved or not, and what insights were obtained. This is important to support continual improvement in its stakeholder engagement activities.
<p>Key strength</p>	

- There was good practice presented via its listening programme, which provided evidence that it was listening to its stakeholders. We support this good practice being shared across the region.

Areas for development

- The region should review how its stakeholder engagement is systematically influencing its plans and priorities in a timely manner.
- The region should review whether its success factors highlighted across each stakeholder group have been met. This will allow the region to continually reflect and learn from its stakeholder engagement activities.

<p>Well – governed</p>	<p>The evidence suggested that there was some structure to the region’s governance, however further improvements are needed to ensure that stakeholder engagement is properly embedded across the region.</p> <ul style="list-style-type: none"> • The region’s stakeholder engagement strategy illustrated that it mapped its stakeholders and divided them into eight separate categories such as customers, supply chain and political stakeholders. The region assigned relationship owners who will own and manage the relationships with its stakeholders and be a point of escalation in the region. We will revisit this approach as part of our year 3 assessment, as we understand that these roles are currently being embedded across the region. This provides evidence of a structured approach to the region’s governance and is supported by the feedback from our own survey which showed that over half of stakeholders felt the region’s governance was either good or very good (59%, slightly higher than Network Rail as a whole). • However, our survey results showed that the region can make further improvements to its governance arrangements, in particular reviewing whether it is properly embedded across the region. As outlined above, we note the honest views presented by the region in its self-assessment that it set out for some relationship owners had been difficult for them to understand the true purpose of the process and what value these add. We note that further work is required here by the region and we will pick this up as part of our year 3 assessment.
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Key strength

- The region has assigned accountable owners to each stakeholder group. They will own the relationships with stakeholders and be a point of contact and escalation within the region.

Area for development

- Reviewing whether governance is properly embedded across the region e.g. across each of the stakeholder groups.

Transparency

The region could do more to improve the level of transparency to stakeholders, in particular ensuring the timeliness in the sharing of data and information to stakeholders and by feeding back to them, explaining how their input was used.

- The self-assessment described sharing daily performance reports with freight operating companies to assist in identifying areas for improvement that the region can support. However, in general, there was little evidence presented to stakeholders that they were receiving information in a timely manner. This is important to ensure engagement by stakeholders is meaningful. The region would benefit from adopting a more holistic approach to its transparency across the region to ensure the timely sharing of data/information.
- The region should also review whether it consistently feeds back to stakeholders on how their priorities have influenced decisions. We had concerns that the region's approach is currently more 'show and tell' and this was evident in the region's self- assessment in the account of its briefings.
- It is important that stakeholders know how their engagement has influenced the region's plans and priorities to maintain trust.. The region would benefit from reviewing whether proactive measures are needed to improve in this area.

Areas for improvement

- Review whether transparency is properly embedded across the region and ensuring that data and information are shared in a timely manner to enable meaningful engagement by stakeholders.

- Review whether the region needs to proactively improve on providing feedback to stakeholders on how their feedback was used.



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