

**THE OFFICE OF RAIL AND ROAD
183rd BOARD MEETING**

Tuesday 22 June 2021, 09:00 – 13:30

At 25 Cabot Square, E14 and by MS Teams

Non-executive members: Declan Collier (Chair), Stephen Glaister, Anne Heal, Bob Holland, Michael Luger, Justin McCracken in Cabot Square and Graham Mather online.

Executive members: John Larkinson (Chief Executive); Ian Prosser (Director, Railway Safety) in Cabot Square and Graham Richards (Director, Planning and Performance) on line

In attendance: Dan Brown (Director, Economics, Markets and Strategy), Russell Grossman (Director of Communications and interim Director, Corporate Operations), Juliet Lazarus (General Counsel) and Tess Sanford (Board Secretary). Laura Majithia (Director of Legal Services) online

Other ORR staff in attendance are shown in the minutes.

Item 1 WELCOME AND APOLOGIES FOR ABSENCE

1. The Chair welcomed everyone to this second face to face meeting of the ORR Board in 2021. He welcomed Laura Majithia who, as Director Legal Services, would be attending board meetings until the appointment of a new General Counsel.
2. Madeleine Hallward had sent apologies as she was ill.

Item 2 DECLARATIONS OF INTEREST

3. No new interests were declared.

Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING

4. The board approved the minutes of the May 2021 meeting.
5. The board noted updates on the outstanding actions which were not yet due and the signature under delegation of the memorandums of understanding that had been approved in March.

Item 4 CHIEF INSPECTOR'S MONTHLY REPORT

6. Ian Prosser briefed the board on potential issues around clear demarcation of electrical isolations suggested by injury to a worker and possible changes in guidance on PPE.
7. He reported on the start of the lessons learned exercise on cracks on the Class 800s and 385s. The board heard that there were early indications that there might be a wider problem and as a result the study would be expanded to follow any other relevant information. ORR was working closely with the operators, RSSB and the welding institute among others to understand what had happened and find ways to address it. As well as safety concerns, there was a serious impact on consumers when sets had to be withdrawn.
8. The board noted the rise in assaults on staff following the reintroduction of revenue protection to the network and discussed employers' responsibilities to

- keep their staff safe – enforcement against perpetrators was for BTP. Ian noted that RSSB’s research on body cameras had shown that they were effective in changing behaviours and relatively cheap to implement.
9. Work was in hand to ensure that the measures introduced during government restrictions around Covid were risk assessed in the changing environment and where possible could be rapidly removed as restrictions lifted. This would be particularly important for normal operations eg in driver training.
 10. Ian noted that ORR would be involved in work to develop principles for safe operation of driverless trains on the London Underground, where the risks were likely to be around passengers (safe operation of doors, behaviour on platforms and PTI) and emergency situations rather than the operation of the trains themselves.
 11. The board discussed the ongoing work with TfL/LUL on their asset management review and discussed potential risks around funding. It was important that ORR worked from the evidence in any advice it gave to funders, who were responsible for making choices on the basis of that advice.
 12. HSRC had received a comprehensive update on EuroTunnel the day before. The Eleclink project had been re-timetabled to give a later delivery and this was welcome as reducing time pressure risks. While major risks had now been better addressed, the [revised] Safety Management System submitted for approval had been unsatisfactory and a fresh submission was awaited.
 13. The new Level Crossing guidance had been published.

Item 5 CHIEF EXECUTIVE’S REPORT

14. John Larkinson updated the board on recent developments and took questions on the written report.
Redact this report (paras 15- 24) from the published version as time-sensitive and covering confidential issues.

Item 6 HIGHWAYS UPDATE

25. Graham Richards noted that putting concerns around delays to development consent orders onto the escalator had prompted a swift response. The board discussed the increasing level of local activism and the politicisation of the planning debate. Government plans for levelling up by investment in infrastructure were not obviously aligned to its net zero carbon commitment and clearer messaging around this would be helpful in supporting HE’s delivery of RIS2.

Item 7 HIGHWAYS MONITOR – REVIEW OF ALL LANE RUNNING MOTORWAY DATA AND EVIDENCE

*Feras Alshaker and Lisa O’Brien joined the meeting for this item.
Redact this item (paras 26-32) from the published minutes as relating to a document for future publication*

Item 8 VISITOR – CONRAD BAILEY, DIRECTOR GENERAL RAIL STRATEGY AND SERVICES, DEPARTMENT FOR TRANSPORT

Conrad Bailey joined the meeting virtually.

33. Declan Collier welcomed Mr Bailey who thanked ORR for its support and engagement during the development of the Williams-Shapps Plan and looked forward to continuing to work together and to see ORR lead change in key areas. He gave a presentation on DfT's plans for implementation of the recent white paper setting out high level principles and describing the phasing of implementation and the current timetable. He described challenges, including a reform programme on a live system that was recovering from covid, and key risks around funding, resources and capability as well as the challenge of delivering legislative change. The programme had the support of the Prime Minister and regular input from the Treasury.
34. The board discussed with Mr Bailey the potential for changes in retail and ticketing, improving agility and innovation, improvements in accessibility, improving local input while preserving a national network, the opportunity to establish a fresh culture in the IGM and the need for others to adapt to new structures and relationships. Change would need to be phased but would be taken forward in the current legal framework wherever it could.
35. The board discussed the desirability of a coherent 30 year strategy for rail which aligned with other national commitments, and the difficulty of designing it.
36. The meeting considered the financing and funding of the railway. It was noted that private sector investment would be hard to secure without a clear offer over time.
37. Mr Bailey said that DfT would be reliant on ORR for expertise in some technical areas – such as the access regime – and expected that it would also have to make some changes to respond to new structures and other changes. Overall he would welcome the continuance of ORR's valuable challenge and its ability to support pragmatic steps to deliver the future agenda.
Mr Bailey left the meeting.
38. The board reflected on what it had heard, particularly on the challenges around funding and finance, and for setting a 30 year strategy.
39. It was clear that implementation of all the proposals in the white paper would be hard to deliver, particularly in the current proposed time frame. Immediate priorities for DfT appeared to be retail/ticketing and workforce reform. ORR had no role on retail but was likely to be involved in workforce reform.
40. The board noted that Mr Bailey had asked ORR to continue delivering the day job and to lead in areas of reform where it had expertise. As part of moving into the wider future role the executive intended to expand a benchmarking exercise on NR pay, planned as part of PR23 preparations, to include train operators. DfT's acceptance of this was seen as a key indicator of their readiness to adapt or change to deliver rail reform.

Item 9 RAIL INDUSTRY HEALTH AND SAFETY

41. Ian Prosser set out his key messages for the annual Chief Inspector's report which reflected comments from members of the HSRC and arrangements for the presentation.

Item 10 ORAL UPDATES FROM ADVISORY PANELS, AND FEEDBACK FROM BOARD COMMITTEES

42. Justin McCracken reported on HSRC including a discussion with senior members of NR, where the committee had taken the opportunity to express growing concern at slow delivery by Network Rail of planned safety improvements. They had taken other reports on the implementation of the Cullen/Uff recommendations, freight safety, the relationship with RAIB and the channel tunnel.
43. Anne Heal reported on the consumer panel which had discussed: admin fees on refunds for passengers, PR23 and the signalling market study.

Item 11 ANY OTHER BUSINESS

44. The board noted the items below the line including the forward programme.
45. The Chair noted that this was the last meeting for Juliet Lazarus who had been general counsel for 17 years. He thanked her for her considerable contribution over that time and the board joined in thanking her and wishing her well.

ORR's Directors and members of the SCS left the meeting

Item 12 SCS PERFORMANCE ASSESSMENT

46. Michael Luger reported on the Renco agenda which had included updates on NED recruitment, the distribution of in year awards to Non-SCS staff, implementing the Diversity and Inclusion strategy and the large programme of staff recruitment reported by John at the board earlier.
47. He described the discussion around SCS performance. NED Board members had seen the summary paper which John Larkinson had submitted to Renco and found it helpful. The Chair set out how the CEO had met the objectives set for him and his objectives for the current year.
48. The board discussed Renco's recommendations for performance rankings for the 17 members of the SCS. The board endorsed the rankings as recommended. Any decision on financial reward would be made following receipt of Cabinet office guidance but this had not yet been issued.

The chair closed the meeting.