

THE OFFICE OF RAIL AND ROAD
190TH BOARD MEETING
Tuesday 29 March 2022, 09:00 – 13:00
At ORR, 25 Cabot Square, E14 4QZ
and by MS Teams

Non-executive members: Declan Collier (Chair), Stephen Glaister, Madeleine Hallward, Bob Holland, Justin McCracken, Anne Heal, Catherine Waller, Daniel Ruiz, Xavier Brice

Executive members: John Larkinson (Chief Executive) Ian Prosser (Director, Railway Safety)

In attendance: Dan Brown (Director, Economics, Markets and Strategy), Russell Grossman (Director of Communications), Vinita Hill (Director, Corporate Operations) Tess Sanford (Board Secretary) Elizabeth Thornhill (General Counsel), Stephanie Tobyn (Director Scotland and White Paper Mobilisation)

Other ORR staff who attended (remotely or in person) are shown in the minutes.

Item 1 WELCOME AND APOLOGIES FOR ABSENCE

1. Feras Alshaker (Interim Director of Planning and Performance) had sent apologies as he was on leave.
2. The Chair welcomed everyone to the meeting, which would be the last for Stephen Glaister and Dan Brown.

Item 2 DECLARATIONS OF INTEREST

3. No new interests were declared as relevant.

Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING

4. The board approved the minutes of its meeting in February 2022 subject to minor corrections.
5. The board noted the actions outstanding and the updates on progress.

Item 4 CHIEF INSPECTOR'S MONTHLY REPORT

6. Ian Prosser briefed the board on reactions to the RAIB report on Carmont: he had convened a meeting of those involved to discuss how some of the recommendations could be addressed. The report on Hitachi Class 800 cracks was due for publication on 7 April and he briefed the board on the main findings. The board discussed issues around the commissioning of rolling stock, standards used in designing it, the conditions it was being operated under, and lessons for the future for both specifications and standards. Remediation of the entire fleet would take some time, and the risk was being mitigated by regular inspection alongside a programme of immediate fixes where those became necessary. The board received confirmation that the rolling stock in question was safe for passengers. It was noted that questions of liability and contracting in this case were not a matter for the ORR. The board also noted that a long programme of remediation would make it harder to provide a full service to customers if timetables returned to pre-pandemic levels.

7. The report would be circulated to the Board and to the Rail Minister and recommendations would be followed up with industry. [Action 03/01: Ian Prosser] All key stakeholders had seen the factual segments of the report for fact checking.
8. Ian Prosser reported that an appeal against a decision to revoke a train driver's licence following a positive drug and alcohol test had been upheld by DfT's appointed decision maker on the grounds that ORR had imposed a blanket policy. The General Counsel would review the process with our own counsel to consider whether the ORR process needed to be improved. The board asked to hear the outcome of that review as the appeal decision seemed at odds with the industry's zero tolerance approach to alcohol and drugs. [Action 03/02: Elizabeth Thornhill]
9. The board also heard updates on Network Rail's approach to its programme on drainage and earthworks. In relation to ongoing concerns about tram safety, the board noted that the ORR's review of LRSSB had just been published and that LRSSB was due to attend the HSRC later in the summer. Plans to separate out data relating to light rail in the regular reports would give the board a clearer picture of the underlying issues. Safety regulation around light rail and trams was complex, particularly where the systems ran across roads and public spaces. ORR's powers were largely limited to encouraging reasonably practicable change by operators.

Item 5 CHIEF EXECUTIVE'S REPORT

10. John Larkinson highlighted the progress made in the past 2-3 years to improve accessibility on the mainline railway and the successful implementation – at speed – and recent mothballing of the ORR's role on enforcing Covid travel regulations.
paragraphs 11 and 12 have been redacted from the published version as time-sensitive and covering confidential issues.
13. The board asked for a report of Steve Fletcher's evidence to the Joint Committee on National Security Strategy [Action 03/03 – John Larkinson]
14. The board endorsed the proposal to appoint Martin Jones to the binational committee and for Elizabeth Thornhill to replace Dan Brown as Head of Delegation.
15. The Board saw a short video of the successful staff conference held the previous week. The board was shown a short corporate video which would be used on ORR's website and in other appropriate situations.

Item 6 HIGHWAYS MONITOR

16. The report had been discussed at the Highways Committee. The Committee had noted that no progress had been made by DfT in response to the resource request from ORR to address the Transport Select Committee's recommendation on the safety of road developments. The Executive continued to pursue this and planned to escalate the issue at DfT if necessary. The board endorsed this approach.
17. The board noted that the Chair and Chief Executive of National Highways would attend the next board meeting.

Item 7 ORR BUSINESS PLAN AND BUDGET 2022/23

Lucy Doubleday joined for this item.

18. Vinita Hill introduced the paper, highlighting the growth in ORR's headcount over recent years. In the current fiscal environment, it was important that as well as delivering financial efficiency, ORR was ready to demonstrate the value of the work it does. This year's business plan list of deliverables aimed to show clearly what extra would be delivered with the funding available.
19. The board noted that a pay increase had been budgeted, but this could not be determined until civil service guidance had been received.

20. The board noted the biggest area of financial risk was the uncertainty around the timing, procurement, actual cost of and resource requirement for ORR's oversight of the rail ombudsman.
21. The board noted that the outturn for 2021/22 was projected to be about 4% underspent (after unpredictable expenditure was discounted).
22. The board asked about specific areas of growth and discussed the importance of this being understood and shared with senior staff. The board asked for an aide memoire setting out areas of growth and the purpose, [Action 03/04 – Vinita Hill].
23. The board noted the separation of funding between rail and road and the importance of maintaining this. It was important that there was sufficient funding to cover the ORR's commitments as Highways Monitor and the board noted that the settlement awarded by DfT was unlikely to do this.
24. The board discussed the change in accommodation costs, increases in utility costs, the proportion of organisational spend in relation to corporate services, capital budgets and the funding of an appropriate level of cyber security.
25. The board approved the budget for next year.

Item 8 PR23 – CHARGES AND INCENTIVES

Will Chivers and Carl Hetherington joined the meeting with Katherine Brownstein and Robert Carruthers on line.

26. Dan Brown set out the context for our PR23 charges review and the approach taken to date in this review. Will Chivers introduced the paper and set out the draft recommendations.

The rest of this item is redacted from the published minutes as relating to policy development and a document for forthcoming publication

Item 9 ORR DATA ANALYTICS CAPABILITY

Lyndsey Melbourne and Howard Taylor joined the meeting with Peter Moran on line for this item.

29. Lyndsey Melbourne introduced the paper which set out ORR's current capability in data analytics. Peter Moran and Howard Taylor then demonstrated some dashboards and the Viktorr tool which supported staff in other teams – performance and safety for example - in assessing and understanding the impact of incidents, identifying underlying trends and comparing different responses across different regions. A follow up session was planned to discuss options for future development.
30. The board commended the work and discussed how the team prioritised and planned its development work, noting that this was largely reacting to the needs of colleagues. It was noted that ORR would need additional data when it took on new responsibilities under rail reform, and that GBR would be main repository for data in the reformed industry although there is an expectation that such data would be 'open'. ORR's approach had evolved over time and a more structured and strategic approach might deliver even greater benefits. ORR should continue to look for ways to improve its use of available data to generate insight and underpin its assurance work. Board members with relevant experience stood ready to assist the team with this work, which would also require support from the corporate operations technical team. Feras Alshaker would be asked to draw up a proposal for the next stage of development. [Action 03/06 – Feras Alshaker]

Item 10 NATIONAL HIGHWAYS – RIS3 APPROACH

Richard McGreevy joined the meeting for this item with Adam Spencer Bickle and Stephen Bussell on line for this item.

31. Richard McGreevy introduced the paper which set out the responses to ORR's consultation on its proposed approach. The paper had been discussed at the

Highways Committee the day before and the committee had agreed it was a good proposal.

32. The board noted the paper and approved publication.

Item 11 RAIL REFORM

Rob Cook, Martin Leggett joined the meeting for this item.

29. The team reported on what had changed since the written report had been circulated, including discussions around the GBR licence, whether the Secretary of State would have powers to direct GBR, transition of RDG ownership and the likely timeline.
30. The board discussed the report, and the risks around proposals. It noted the scale of the challenge faced by GBR in building a new positive culture from the merger of diverse organisations with long histories.

Item 12 REPORTS FROM COMMITTEES

31. Stephen Glaister reported on Highways Committee, some of which had already been covered. National Highways was making progress towards meeting its 10 minute traffic officer response on smart motorways. ORR's work to investigate this had demonstrated the importance of being able to work directly with regional teams rather than working through head office. This would be raised with Nick Harris by John Larkinson. There had been a very good discussion with Natalie Prosser, CEO of the Office for Environmental Protection and Alan Law, CEO of Natural England. The committee also discussed delays due to DCOs, and the challenge for NH of meeting its biodiversity target.
32. Justin McCracken reported on meetings of RIHSAC and HSRC. RIHSAC had discussed rail reform with GBRTT and noted the importance of having a senior safety inspector on secondment from ORR as part of that team.
33. HSRC had a discussion with David Horne (MD LNER) which had covered concerns about software on the fleet and whether it would prevent a switch to ETCS. He had also set out safety risks around changes to workforce (eg in reduced numbers of station staff) and made some suggestions about the timing of RM3 reports.
34. Anne Heal reported that a meeting of the consumer panel had considered an update on passenger impact of the March storms, PR23 and NR's stakeholder engagement. Renco had met last week to input into the discussion on the TOM which would take place later that day.

Item 13 ANY OTHER BUSINESS

35. Declan Collier reported on his recent external meetings and that he had been asked to sit on an advisory group for the Secretary of State on rail transformation.
36. The board noted the Items below the line.
37. The chair thanked Stephen Glaister on behalf of the board for his service as Chair and as board member of the ORR. His leadership through turbulent times for the industry and for the Office had helped build the evidence based culture that enabled ORR to advise government from a position of trust. He would be greatly missed by colleagues and staff.
38. The chair also thanked Dan Brown for his service as Director, Economics, Markets and Strategy and the notable contribution he had made to the professionalisation of the ORR's policy and strategy functions and to build important relationships which underpinned its current strong reputation. His work inside the office as mental health champion had been hugely influential and he too would be missed.

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