

THE OFFICE OF RAIL AND ROAD
172nd BOARD MEETING
23 June 2020, 09:00 – 13:30
By Skype for Business

Non-executive members: Declan Collier (Chair), Stephen Glaister, Madeleine Hallward, Anne Heal, Bob Holland, Michael Luger, Justin McCracken, Graham Mather

Executive members: John Larkinson (Chief Executive), Graham Richards (Director, Planning and Performance); Ian Prosser (Director, Railway Safety).

In attendance: Dan Brown (Director, Economics, Markets and Strategy), Russell Grossman (Director of Communications), Freya Guinness (Director, Corporate Operations), Juliet Lazarus (General Counsel), Tess Sanford (Board Secretary)

Other ORR staff in attendance are shown in the text.

Item 1 WELCOME AND APOLOGIES FOR ABSENCE

1. The chair welcomed everyone to this fourth video-conference meeting of the ORR Board.

Item 2 DECLARATIONS OF INTEREST

2. Anne Heal declared an interest because she chairs the charity Volunteering Matters which has been asked to assist DfT with volunteers to help manage crowds at transport hubs. This matter was raised in the Chief Inspector's safety report.

Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING

3. The minutes of the May meeting were agreed.
4. The board noted the updated action list. Russell Grossman reported that an initial meeting had been set up with the GLA's Transport select committee chair. John Larkinson would follow up with the ORR Chair on next steps following the strategy discussion in May (as per the CEO's report). Other items would be addressed in the agenda.

Item 4 COVID-19 UPDATE

5. John Larkinson noted that the industry continued to work well together to tackle Covid-19 issues. Timetable uplifts were running smoothly and another uplift was due on 6 July to take England to about 90% of pre-Covid services. There was reported to be high public compliance on face coverings and any relaxation of social distancing rules would increase capacity on services. One of the big challenges for the industry was to react to changes in guidance within the tight timescales that were being set: eg changing signage across the network took time and the workforce and unions needed to be engaged in any change which affected them.

6. The industry had started to look at lessons from the experience of the pandemic (what works better – or worse) including the toxic effect of some specific services on performance. While some network benefits might be achieved by stopping these services, there might be specific local disbenefits – so these were judgement decisions.
7. There were major political questions ahead for government on what sort of service it wanted to see. ORR maintained its stance of support and assistance wherever possible. [*The rest of this paragraph is redacted as commercially sensitive*]
8. John had discussed with Open Access operators their plans to return to service.
9. Ian Prosser described the unions' concerns with the volunteering proposal, both in terms of safety and in view of the fact that, with small numbers of passengers, the existing station staff had capacity to deal with any issues. At the moment there were no volunteers deployed on the network.

Item 5 CHIEF INSPECTOR'S MONTHLY REPORT

10. Ian Prosser reported on the work done so far to respond to the Covid pandemic including agreeing guidelines on face coverings/masks for passengers and staff, and guidance to enable driver training to resume.
11. The board discussed his update on SPADs, noting that the numbers remained high in spite of reduced traffic on the network. Ian continued to work to encourage the unions to pilot in-cab technology to help with driver attentiveness (as had been introduced on trams), but these plans had been delayed by the social distancing required through the pandemic. SPAD risk was much improved over recent years, and reducing it further was likely to be costly – so it needed to be considered alongside other high risk elements of the PIM such as earthworks.
12. John and Ian both reported that industry was taking the issue of SPADs seriously and the board noted this but also discussed concerns with the slow rate of progress. They urged the executive to do what it could to promote technological solutions. Justin McCracken and Declan Collier were meeting the chair of RSSB that afternoon and would raise it directly. **[Action]**
13. HSRC the day before had heard from NR including on Track worker safety and progress against the improvement notices. It was clear that senior management were engaged in the programme, but the real challenge was to improve level 1 assurance about what was happening in the regions and locally as central resource shrank. This mismatch in local culture and senior commitment remained a real concern and would be a focus of inspection work this year.
14. Ian updated the board on CTSA's review of the Eleclink project's safety dossier and commented on reported signaller errors, which usually related to a line block.
15. The death of a passenger on LUL was being investigated.

Item 6 CHIEF EXECUTIVE’S REPORT AND BOARD INFORMATION PACK

16. John Larkinson updated the board on several items.
17. The Rail Minister had asked ORR for assistance on a modern third rail extension to Uckfield and all industry options would be considered for this project.
18. DfT were preparing a formal submission on their case for levying an investment recovery charge. This was likely to come to the Board in September.
19. DfT were considering the issue of updated ministerial guidance and were talking to colleagues about what should be included. The board would continue to take any new guidance into account alongside its other statutory duties.
20. John reported on a potential competition complaint.
21. Juliet Lazarus updated the board on [a] letter before action and the response being prepared.
22. The board noted the report on passenger surveys and considered that the recent drop in passenger revenues would prompt more investigation and understanding of the whole picture of travel to better promote the rail industry in future.
23. Eurostar and EuroTunnel had been asked to provide evidence of compliance with the new regulations on international passenger information which had come into force on 8 June.
24. The board noted the continuing positive picture on NR efficiency and heard about staff work to keep up the pressure on quality information. There was now a high degree of confidence in year 2 expectations. Most pleasing was the impact of regional reporting in highlighting variations which, anecdotally, was helping drive competitive performance in NR.

Item 7 ORR DIVERSITY AND INCLUSION STRATEGY

25. Juliet Lazarus introduced the strategy which had been discussed at RENCO the day before. A number of initiatives had been delivered previously and staff had created a diversity network but ORR was behind peer regulators and other parts of the civil service. This was an opportunity to set a strategic framework and focus on key areas where impact could be made. Additional resource would be recruited to support the programme, but a key feature of the strategy was to secure the engagement and drive of senior leaders and the board to drive delivery. Every director now had a diversity objective and the strategy was an important statement of intent.
26. The board welcomed the strategy and endorsed it. Anne Heal would take the board lead role on these issues, but every member committed to embrace it. Given the amount of change in the industry and the wider world, it would be more important than ever to have a good mix of minds to help ORR respond to the challenges it would face.

Item 8 CONSUMERS – ANNUAL REPORT ON TOC PERFORMANCE

Stephanie Tobyn, Marcus Clements and Denise Brown joined the meeting for this item

27. Stephanie introduced the item and highlighted improvements in the layout and content of the report over the previous year. The board welcomed the report and the improvements and suggested including more content on the passenger benefits delivered as a result of ORR's work.
28. The board discussed the difficulty of tracking numbers of passengers who needed assistance given that most preferred not to book in advance. The team estimated it was 300-400,000 journeys a year. It was also noted that the complaints data around assisted travel did not necessarily reflect all passengers' experience but appeared to be a relatively high number at 1.5% of users.
29. The board approved the key messages of the report and welcomed the use of league tables to highlight good performance.

Item 9 CONSUMERS – OMBUDSMAN

Marcus Clements joined the meeting for this item

30. Marcus Clements introduced the report on the first year of operation of the Ombudsman. The report suggested the basic service was working well, but there was limited feedback from its customers and that meant there was no feedback to TOCs to drive better local complaint handling – which was one of an ombudsman's key purposes. The service was also handling fewer complaints than anticipated when it had been set up but at a higher cost than planned which was generating questions about value for money.
31. The board discussed the invitation to take over the secretariat of the Ombudsman's council. This would enable ORR to more actively steer the agenda, including seeking better information on the impact and success of the scheme, and to focus on value rather than cost. The board endorsed the suggestion and noted that sufficient resources were available.

Item 10 WILLIAMS REVIEW

Catherine Williams, Robert Cook joined the meeting for this item.

Paragraphs 32-35 have been redacted as policy development.

Item 11 CHIEF INSPECTOR'S ANNUAL REPORT

36. Ian Prosser outlined the key messages which reflected good progress in some areas and some serious setbacks. The report would build on the themes of previous reports. The board noted the cultural challenge for NR on local leadership, the potential benefits of increased influence on safety by design and proper option analysis and the importance of proper change management.
 37. HSRC had discussed the headlines the day before and welcomed the four key messages. It had suggested the inclusion of more real examples of issues.

38. The launch event would be on-line and for the second year would include the chair of the Transport Select Committee.

Item 12 STAKEHOLDER SURVEYS

James Rentoul – ComRes and Angeline Barton joined for this item.

39. James Rentoul presented the headline results from ORR’s annual stakeholder and parliamentary surveys. These indicated an improving picture and suggested, broadly, that where ORR had focused effort and resources this had resulted in improved results. The board noted positive figures on providing good information and analysis, and good scores on collaboration, transparency and openness to challenge. Some of the later stakeholder interviews (after March) had offered praise for ORR’s response to the pandemic and encouraged it to stay on the front foot.
40. The board discussed the presentation and asked about comparator organisations, the relative views of industry and government, and the difference between scores on our roads and rail functions.
41. James Rentoul would provide some analysis of the change in the core and MPs groups compared to the previous survey **[action: ComRes]**

Item 13 ORAL UPDATES FROM ADVISORY PANELS, AND FEEDBACK FROM BOARD COMMITTEES

42. Justin McCracken updated the board on discussions at HSRC the day before. Much of the agenda had overlapped with the RIHSAC meeting the previous week.
43. The meeting had considered papers on: RAIB’s annual report, ORR’s regulatory strategy, research on public attitudes to safety. The latter would be followed up with a reconvened industry wide workshop. The committee had discussed and updated its TOR to include a requirement for follow up on residual concerns after discussions with external contributors. He gave more detail on the annual discussion with NR which had largely focused on track worker safety where NR recognised the challenges ORR observed in the gap between what happens at the front line and board commitments on safety. NR had reported plans to improve level 1 assurance.
44. HSRC had discussed the importance of continuing to be clear with NR about the requirements of the improvement notices and to raise early any concerns about their work to try to meet them. Justin McCracken would write to NR to confirm ORR’s commitment to be transparent and our criteria for compliance with the notices so that we could continue to hold them to account.
45. Michael Luger reported on the Renco meeting which had considered the Diversity and Inclusion strategy and an update on progress on the reward strategy which was nearing completion. It has also considered SCS performance.

Item 17 ANY OTHER BUSINESS

46. There was no other business.

47. The board noted the four items below the line.

Item 18 NON EXECUTIVE DISCUSSION – SCS PERFORMANCE

A separate, detailed note of this discussion has been taken for the record.

Jo Napper attended for this item.

48. Michael Luger reported that the committee had endorsed one proposal for an in year award.
49. The committee had also discussed in some detail the rankings proposed by the chief executive, with particular challenge on the reasons for marking the 'top' performers. Following that discussion the committee had privately discussed the performance of the chief executive.
50. The results of these discussions would be fed back to the individuals by the Chair and the CEO or relevant director.
51. As agreed following the board effectiveness review, the non-executive members of the board held a private discussion to reflect on the meeting and other items of interest.

Approved by the board on 28 July 2020