

**THE OFFICE OF RAIL AND ROAD**  
**214<sup>th</sup> BOARD MEETING**  
**Tuesday 23 April 2024, 09:00 – 13:50**  
**At ORR, 25 Cabot Square, London, E14 4QZ**

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

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

**In attendance:** Feras Alshaker (Director of Planning and Performance), Fiona Bywaters (Board Secretary), Will Godfrey (Director of Economics, Finance and Markets), Vinita Hill (Director, Corporate Operations), Richard Hines (Acting Director of Railway Safety), Graham Richards (Director, TfL Analysis), Elizabeth Thornhill (General Counsel), Stephanie Tobyn (Director, Strategy, Policy and Reform).

*Other ORR staff who attended are shown in the minutes.*

**Item 1 WELCOME AND APOLOGIES FOR ABSENCE**

1. The Chair welcomed everyone to the meeting. Apologies for absence were received on behalf of Russell Grossman (Director of Communications).
2. The Chair confirmed that Gwendoline Cazenave, Chief Executive of Eurostar, was unfortunately no longer able to join the meeting (Item 11).

**Item 2 DECLARATIONS OF INTEREST**

3. No new interests were declared.

**Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING**

4. The minutes of the meeting held on 26 March 2024 were approved, subject to a minor amendment in paragraph 16 to remove the text in brackets referring to a later item.
5. A brief update was provided on actions arising and completed from the previous meeting.

**Item 4 CHIEF INSPECTOR'S MONTHLY REPORT**

6. The Chair first invited Ian Prosser (IP) to provide a recent update on his work. This included consideration of rail policy (further to a general election), the Risk Management Maturity Model (RM3), and benefits from upcoming international visits.
7. Richard Hines (RH) introduced the report, referring to: timescale commitments received regarding Victoria Station roof; drainage asset inventories; relationships with Network Rail (NR); and welding fume compliance.

*The following paragraph is partially redacted from the published version as time-sensitive and covering confidential issues.*

8. [...] RH concluded by underlining the importance of ongoing engagement and confirmed that Rob Brighthouse (Senior Independent Non-Executive Director, NR) and Martin Frobisher (Group Safety & Engineering Director) would be external guests at the June meeting of the Health and Safety Regulation Committee (HSRC), as per an annual invitation.
9. RH provided an update regarding West Coast Railways (WCR), and the volume of correspondence received in relation to the Jacobite Service. An application for exemption from central door locking requirements was under consideration and a one year safety certificate was shortly due for renewal. Bob Holland (BH), as Chair of the Audit and Risk Committee, reported that the matter had been discussed in the context of risk, at a meeting the day prior.
10. Further update and discussion related to:
  - A site visit to North Yorkshire Moors Railway, after a recent fatality (for which further update would be provided in the next report);
  - The issue of a two-year renewed safety authorisation to Eurotunnel, for the UK half of the tunnel;
  - Wider reflection on the culture of the rail industry in terms of driving improved safety performance;
  - Two incidents regarding trams, namely in Nottingham (March 2024) and at Saughton Main Tramway Crossing (2018);
  - Risk control associated with the replacement of Avanti's Super Voyager fleet with Hitachi class 805 trains (for which further update would be provided in the next report); and
  - Drainage asset inventories, where an update to the Board was requested, upon completion of drainage asset inventory surveys by Network Rail, later in 2024 [**Action 04/01**].

## **Item 5 CHIEF EXECUTIVE'S REPORT**

*This report is redacted as time-sensitive and covering confidential issues.*

11. [...]

## **Item 6 NATIONAL HIGHWAYS**

17. Feras Alshaker (FA) introduced the item, referring to recent media attention on National Highways (NH) following a BBC Panorama documentary on smart motorways, broadcast the evening prior. It was confirmed that media had been liaised with appropriately, as ORR was aware of the power outages and had challenged NH accordingly. A meeting with NH was due to take place the following week, where an update would be received as to their actions with network operators supplying power to their systems.
18. The Board enquired as to how ORR became aware of the power outages. FA confirmed that NH had informed ORR of a Freedom of Information (Fol)

request upon its receipt, and that it had been responded to (by NH) in January. Assurance was provided as to the accuracy of data published in the second annual safety assessment (as reviewed by the Board in December 2023), which was confirmed as valid and inclusive of the reported power outages highlighted in the documentary.

19. The Board expressed its disappointment that it had not been provided with an earlier update, ahead of the broadcast, or at Highways Committee, and sought assurance as to an organisational response given the high-profile risks under consideration. Clarity was sought on the ORR's position and safety remit regarding smart motorways, as well as the disaggregation of metrics currently in place to identify the issues highlighted. JL acknowledged that although the data was statistically sound, it was not reflective of the strength of public concern around smart motorway safety.
20. The Board considered how the third annual safety assessment might incorporate concerns highlighted by the documentary and whether metrics should be amended. It was suggested that the Chief Information Officer and the Operations Director of NH be invited to a future meeting of the Highways Committee. The Chair requested that a short paper of response lines regarding the Panorama documentary on smart motorways be provided in advance of his meeting with the newly-appointed National Highways Chair the next day **[Action 04/04]**.
21. FA also informed the Board of a request from DfT to work on standards for 'expressways.' This was discussed in the context of ORR's remit into safety, as raised under smart motorways.
22. Further updates provided included:
  - Development by DfT of the third Road Investment Strategy remained ongoing, though the efficiency review by ORR continued;
  - A decision on whether there was a case to answer in the investigation into NH performance, was anticipated in 2-3 weeks; and
  - KPIs proposed for alteration, in particular, those of roadworks information and road user satisfaction (where lowering the target was viewed by the Board as undesirable).

## **Item 7      QUARTER 4 BUSINESS REVIEW**

*Lucy Doubleday (Associate Director, Finance & Governance) joined the meeting for item 7.*

23. Vinita Hill (VH) introduced the report, referring to the year-end underspend of 2.5% (against a target of 2%) and the reforecasting of the case management deliverable (previously reported as complete). The Board questioned why the deliverable was now viewed as unfulfilled, and it was explained that two teams were not using the new system, so full adoption could not be concluded. This was previously unknown due to an absence of internal escalation on the matter which was viewed as unacceptable. Actions to complete the deliverable were confirmed as underway.

24. Lucy Doubleday (LD) further referred to pay spend, but noted an overall improvement on planning assumptions and that the year-end underspend was the closest to target it had been (compared to previous years). This was welcomed by the Board.
25. The Board discussed underspends on consultancy where work had not materialised. These were explained to be largely driven by external factors outside of the ORR's control.

#### **Item 8        REPORTS FROM COMMITTEES**

26. Bob Holland (BH) reported on the meeting of the Audit and Risk Committee held on 22 April. The Committee had considered, among other items:
  - Recent improvements to the presentation of the quarterly risk report;
  - Internal audit reports on timetabling and enforcement processes (where the latter had received minimal assurance);
  - The draft internal audit plan 2024/25;
  - The quarterly IT and security update; and
  - Learning and development spend controls.

#### **Item 9        HOLDING TO ACCOUNT POLICY AND PROCESSES**

*Siân Jefferies (Senior Legal Adviser) joined the meeting for item 9.*

27. Elizabeth Thornhill (ET) and Siân Jefferies (SJ) introduced the board teach-in session. The slides presented:
  - A summary of the Holding to Account (HTA) policy, and comparison between CP6 and CP7 policies;
  - Core duties of the network licence;
  - Next steps upon conclusion of an investigation and policy procedures;
  - Documents received by the board when making a decision; and
  - Decision on breach and options for enforcement.
28. Following questions from the Board, ET agreed to provide a definition of turnover and the existence of clawback in the context of the HTA policy.

*The Board adjourned for lunch from 12.35-12.55pm.*

**Item 10 INTRODUCTION: EXTERNAL GUESTS**

*Howard Taylor (Head of Capital Investments) joined the meeting for items 10-12.*

29. Feras Alshaker (FA) introduced the briefing, referring to relationships with Eurostar, the PR24 process, their financial position, and prospects of competition.

**Item 11 EXTERNAL GUESTS: EUROSTAR**

30. The Chair welcomed Gareth Williams (GW, General Secretary and Chief Strategic Partnerships Officer, Eurostar), and invited him to present Eurostar's views on PR24 and other matters of interest.
31. GW referred to the financial position of Eurostar and recovery post-Covid, the current periodic review as a pivotal moment for setting challenging targets (in light of increased fixed costs, potential efficiencies, and the rigour of costs inputted to the methodology), and the potential competition from new operators as a catalyst for change and mutual growth under a suitable investment framework. Further reference was made to renewals and escrow, as well as the costs associated with the implementation of ETCS (European Train Control System).
32. The Board discussed costs associated with fleet renewal and maintenance, and how renewal would meet increased passenger demand; the importance of passenger experience; the EU Entry/Exit system and associated investment; the constraints of station capacity; the potential for market growth; and relationships with HS1.
33. The Board also raised recent incidents of passenger experience, including an accessibility issue and a stranded train. GW reported on the actions underway in response to recommendations from the stranding incident report, which included the hiring of critical incident managers and a focus on cooperation between parties. Improvements were aimed for in the next six months.
34. The Chair thanked GW for his contributions.

**Item 12 REFLECTION: EXTERNAL GUESTS**

35. The Board reflected on the guest's contributions with particular regard to renewals and efficiencies in PR24, escrow, increased passenger demand, and station capacity.

**Item 13 ANY OTHER BUSINESS**

36. The Chair raised two upcoming opportunities for Board and Executive dinners in July and December, for which diary holds would be sent. Further information was also provided regarding the upcoming regional visit to Glasgow in May.
37. The Chair referenced a recent meeting of UKRN chairs as well as a number of upcoming meetings arranged with the new chair of NH; the permanent

secretary for DfT, and the Director General (Public Transport and Local Group, DfT). It was also reported that NED recruitment was ongoing with interviews scheduled for the end of May.

38. The Board noted the dates of the next meetings and items below the line, namely: the Board forward programme; committee minutes approved since the last meeting; and the Quarterly Risk Report (as presented to the Audit and Risk Committee).

Meeting end: 2.06pm  
Approved: 21 May 2024