

## **THE OFFICE OF RAIL AND ROAD**

### **231<sup>st</sup> BOARD MEETING**

**Tuesday 20 May 2025, 09:30 – 14:15**

**At Clayton Hotel Cardiff, St Mary Street, Cardiff, CF10 1GD**

**Non-executive members:** Declan Collier (Chair), Xavier Brice, Ian Dobbs, Anne Heal, Justin McCracken, Daniel Ruiz, Catherine Waller (via MS Teams).

**Executive members:** John Larkinson (Chief Executive), Richard Hines (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), Russell Grossman (Director of Communications), Graham Richards (Director, TfL Analysis and Interim Director, Corporate Operations), Elizabeth Thornhill (General Counsel), Stephanie Tobyn (Director, Strategy, Policy and Reform).

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

*The meeting started at 9.40am.*

#### **Item 1          WELCOME AND APOLOGIES FOR ABSENCE**

1. The Chair welcomed everyone to the meeting.
2. Apologies for absence were received on behalf of Madeleine Hallward.

#### **Item 2          DECLARATIONS OF INTEREST**

3. At item 4, Anne Heal referred to a declared interest as Chair of the London Design and Engineering UTC, following an oral update to the Chief Executive's report. As there was no suggestion of bias, participation continued at the discretion of the other board members.

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

4. The minutes of the meeting held on 29 April 2025 were approved.
5. A brief update was provided on actions arising and completed from previous meetings.

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

6. Richard Hines (RH) introduced the report and provided an oral update regarding upcoming attendance at Network Rail's Safety, Health and Environmental Compliance Committee. Reference was also made to:

- Confirmation from Network Rail – by the required deadline of 30 April – of the completion of risk assessments for all structures and operational property assets that are currently non-compliant for structural assessment;
- The Improvement Notice served following the Audenshaw freight derailment, which would not be appealed by Network Rail;
- The withdrawal of Network Rail's appeal in respect of an Improvement Notice that was served following a fatal incident in Deal in 2023; and
- Emerging concern arising from several Road Rail Vehicles (RRV) derailments which would feed into risk profiling activity.

7. Further update from the report related to:

- Relationship-building with Network Rail, noting that their new Chief Health, Safety and Wellbeing Officer was invited to an upcoming meeting of the Health and Safety Regulation Committee;
- Continued constructive engagement with Network Rail regarding their appeal of the welding fume Improvement Notice;
- Completion of the Safety Certificate assessment activities for South Western Railway to enter into public ownership;
- Key stakeholder engagement, including attendance at the Secretary of State roundtable event in Derby on 7 May, focussed on opportunities the railway can offer young people, as well as an ASLEF conference the day prior to this Board meeting;
- An upcoming ORR roundtable discussion further to the Chief Inspector's letter to industry last year regarding welfare arrangements for railway workers, to which a Non-Executive Director would be welcome to attend and observe;
- A second ORR Stranded Train Incidents workshop, expected to take place in October, to which a Non-Executive Director would also be welcome to attend and observe; and
- Circulation of the Sheriff's written Determination following the Fatal Accident Inquiry into the death of a member of the public at a non-motorised user tram crossing at Saughton, where attention was drawn to the work of LRSSB on introducing guidance relating to non-motorised user crossings.

8. Questions and further discussion focussed on:

- Work with HSE to provide information and advice to Lord Blunkett following injuries he sustained from an incident at Westminster Underground station in November 2024, and with TfL on the management of risk at the platform train interface. This prompted a request for an update on the rollout of tactile paving enhancements by Network Rail **[Action 05/01]**; and
- Positive engagement with HSE, including discussions on the background and historic policy rationale for why HSE is responsible for guided buses

rather than ORR (as well as why there is no case for changing this position at present).

**Item 5 CHIEF EXECUTIVE'S REPORT**

*This report is redacted from the published version as time-sensitive and covering confidential issues.*

[...]

**Item 6 NATIONAL HIGHWAYS PERFORMANCE**

13. Feras Alshaker (FA) introduced the report, referring principally to advice commissioned by the Department for Transport on National Highways' proposals for the Spending Review and submitted by ORR on 9 May. A key finding was that costs had increased by £3.2 billion from the interim draft Strategic Business Plan (SBP), of which around half of the increase (£1.4 billion) was from increased enhancements costs. Of the remaining increase, ORR estimated that between £500m and £1.0bn requires further justification. Due to the constrained timelines involved, findings were deemed preliminary and would need to be revisited during the Efficiency Review of National Highways' final draft RIS3 SBP.
14. Further update referred to the Key Performance Indicators included at Appendix C – noting that delay on the network had reduced and customer satisfaction increased, likely further to the removal of works associated with the NEAR programme.
15. The Board further discussed working relationships with National Highways, and the attendance of Duncan Smith (Chief Operating Officer – National Highways) at the recent meeting of the Highways Committee.
16. The Board noted the contents of the performance update.

**Item 7 COMMUNICATIONS STRATEGY REVIEW, 6-MONTH DASHBOARD AND 2025 PARLIAMENTARY SURVEY**

*Jennifer Webber (Head of External Engagement), Lisa O'Brien (Head of Media Relations, Campaigns and Digital Comms) and Adele Potter (Head of Internal Communications and Engagement) joined the meeting via MS Teams for item 7.*

17. Russell Grossman (RG) introduced the strategy review, dashboard and parliamentary survey. Reference was made to the valuable engagement arising from a Parliamentary drop-in event held in March (as well as lessons learned), the post-election communications strategy, and engagement with mayoralities (noting that material was often less applicable to regional government than national). The Board encouraged consideration of stakeholder engagement with northern mayoralities by all of the Executive, with particular regard to private sector investment.
18. The Board further discussed in response to the item:

- The increasing importance of engagement with key stakeholders in the House of Lords;
- Opportunities to engage presented by the upcoming publication of the Revenue Protection Review;
- The increasing use of AI in communications work; and
- The percentage of MPs surveyed who believed the work of ORR to be effective.

## **Item 8          NETWORK RAIL ANNUAL ASSESSMENT: KEY MESSAGES**

*Richard Coates (Deputy Director, Railway Planning and Performance) and Steve Helfet (Deputy Director, Railway Operations) joined the meeting for item 8.*

19. Feras Alshaker briefly introduced the report and reflected on how the format had evolved for this year's assessment. Richard Coates provided further context, referring to a reduced number of key messages which were presented in a concise manner. The Board welcomed the adaptation in approach and its subsequent clarity.
20. The Board considered whether the key messages reflected Network Rail's overall performance for 2024-25. Suggested amendments included:
  - Highlighting progress on performance in the Wales and Western, notably following regulatory intervention;
  - Strengthening key message 4 relating to performance on train operator access to the network, noting that this was first raised in 2023 and remained an issue; and
  - Minor revisions to the tone and content as appropriate to ensure a fair and accurate reflection within the key messages.

## **Item 9          NATIONAL HIGHWAYS ANNUAL ASSESSMENT: KEY MESSAGES**

*Rachel Gittens (Deputy Director, Strategic Road Network) joined the meeting for item 9.*

21. Feras Alshaker briefly introduced the report and reflected on the strategic context of this year's assessment. Rachel Gittens provided further context on the proposed narrative and key messages. It was noted that this assessment would cover both National Highways' performance in the most recent year and the whole of the second road period (2020-25).
22. The Board noted the key messages and considered whether they adequately reflected National Highway's overall performance for 2024-25 and for RIS2. This included discussion of the balance between messages on efficiency and benefits for road users. Suggested amendments included:
  - An additional point at the end of key message 2 around supporting National Highways' commitment to improve in areas of customer satisfaction and delay;

- Amending the accompanying narrative to key message 3 to be more explicit on how the investigation and data requirements will improve National Highways' performance (particularly in the context of the recent investigation).
23. Members of the Highways Committee confirmed that feedback provided on the key messages at its meeting of 6 May had been effectively integrated.

**Item 10 CP7 PERFORMANCE RESET – CONTEXT AND PRELIMINARY DISCUSSION ON PASSENGER TRAIN PERFORMANCE TARGETS IN YEARS 3-5**

*Richard Coates (Deputy Director, Railway Planning and Performance) and Steve Helfet (Deputy Director, Railway Operations) joined the meeting for item 10.*

24. Will Godfrey (WG) introduced the report and provided an oral update further to discussions with the Chief Executive of Network Rail which had focussed on ongoing uncertainty and the financial exposure of Network Rail. Reference was made to Annex 2, and the proposed performance trajectories received from Network Rail for ORR's assessment. Particular examination was given to the cancellation trajectory and current performance in that regard.
25. The purpose of the report was to provide a forward-look of the passenger performance reset and wider context ahead of decisions anticipated at the June meeting. The Board noted that the Chief Executive and Chief Financial Officer of Network Rail had also been invited to the June board meeting to discuss the passenger train performance targets.
26. The Board further discussed in response to the item:
- the current outflow of payments by Network Rail under the Schedule 8 incentive regime due to underperformance;
  - drivers to underperformance, distinguishing where these were within and outside of the control of Network Rail;
  - data from the last periodic review and reliability of forecasting; and
  - the wider context of rail reform and the transition to public ownership.
27. The position of the Department for Transport would be sought ahead of the June board meeting.

**Item 11 RAIL REFORM UPDATE [ORAL UPDATE]**

28. As update had been provided under previous items, item 11 was briefly covered by Stephanie Tobyn with reference to the Passenger Standards Authority and the development of a licence for GBR.

*The Board adjourned for lunch from 12:45 to 13:15.*

## **Item 12      REPORTS FROM COMMITTEES**

29. In the absence of Madeleine Hallward, Daniel Ruiz and Anne Heal reported on the meeting of the Highways Committee held on 6 May 2025. The Committee had discussed, among other matters:
- The National Highways Annual Assessment (as covered at item 9); and
  - The attendance of Duncan Smith (Chief Operating Officer – National Highways), with part of the discussion focusing on the delivery of more steel barriers at the expense of reduced concrete barrier delivery, as well as the internal reorganisation of National Highways.
30. Anne Heal reported on the meeting of the People Committee held on 20 May 2025, prior to the Board meeting. The Committee had discussed, among other matters:
- The Quarter 4 People Pack and Employee Relations Dashboard, with a focus on workplace attendance and sickness absence;
  - Feedback from Ian Dobbs on his induction as a Non-Executive Director; and
  - SCS Performance 2024/25, which would be discussed at item 14.
31. The Chair invited reflections on the stakeholder dinner held the night prior, following a visit to the Core Valley Lines as hosted by Amey. The Board welcomed the rich discussions from a wide variety of stakeholders and the informative visit, noting innovation around Overhead Line Equipment for example.

## **Item 13      ANY OTHER BUSINESS**

32. The Board noted the dates of the next meetings and items below the line (item 15), namely: the Board forward programme and committee minutes approved since the last meeting.
33. The Chair provided a brief update regarding ongoing NED recruitment.

## **Item 14      PEOPLE COMMITTEE REPORT: SCS PERFORMANCE 2024-25**

*Departure of meeting attendees, with the exception of the Chief Executive: this item was for Non-Executive Members of the Board only. John Larkinson left the meeting upon review of his performance.*

34. Anne Heal introduced the discussions of the Committee on SCS performance. NED Board members had received the summary paper submitted to the People Committee by JL and found it helpful as a basis for considering performance rankings.
35. [See restricted minutes, paragraphs 35 to 38 inclusive]
39. **The Board agreed the performance assessments further to the recommendation of the People Committee.**

40. The Chair also outlined new arrangements for the performance management of SCS3 roles - introduced by the Cabinet Office – of which the Chief Executive fell in scope. All SCS3s would be centrally moderated at year-end, with a distribution applied across the Civil Service for the DG/SCS3 cadre.
41. It was noted that PeCo would likely meet again in August to discuss proposals for implementing Cabinet Office guidance on SCS pay (assuming it had been received at that point).

Meeting end: 2.00pm  
Approved: 24 June 2025