

**THE OFFICE OF RAIL AND ROAD
188TH BOARD MEETING**

Tuesday 25 January 2022, 09:30 – 14:30

At 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: Feras Alshaker (Interim Director of Planning and Performance), 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 on line and in person are shown in the minutes.

Item 1 WELCOME AND APOLOGIES FOR ABSENCE

1. The Chair welcomed everyone to the meeting of the ORR Board and particularly welcomed three new Non-executive members whose appointments had started the previous week, and the new General Counsel who had started in the new year.

Item 2 DECLARATIONS OF INTEREST

2. No new interests were declared as relevant. Stephen Glaister reminded the board of his published views on HS2. A copy of the register of current interests for all members, including the new members, had been circulated before the meeting and an updated version would be published shortly.

Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING

3. The board approved the minutes of its meeting in November 2021 and the special meeting held on 13 January 2022.
4. The board noted updates on the closure of the actions outstanding and the one remaining issue. The board noted the update on the technical MOUs which will now be signed under delegation.

Item 4 CHIEF INSPECTOR'S QUARTERLY REPORT

5. Ian Prosser briefed the board on causes of trends in the data – particularly PHRTA¹. *[This sentence redacted as an update on an ongoing case]* He also updated the board on industry's response to changes in covid levels and regulations, Eurotunnel's SMS assessment, a resolution to the cross border train driver licencing risk, and the final RAIB report on Llangennech and their forthcoming report on Carmont.
6. There would a full report on progress against Mair/Slingo recommendations next month. [Action: Ian Prosser]. He noted that the mainline rail risk (PIM²) appeared good

¹ Potential high risk train accidents

² Precursor indicator model

but reflected recent benign weather and low traffic levels. NR had increased their focus on vegetation, drainage and structures. He noted that RSSB were investigating why HIPOS³ had gone up.

7. The board discussed NR's apparent good progress on track worker safety and reducing red zone working. It noted that NR was preparing to share information with ORR on the overall costs of the response to the improvement notice and how this had been funded.
8. The board had increasing concerns about the high number of injuries and fatalities of pedestrians around trams. Ian Prosser reported that there was no evidence that dutyholders were failing. Operators were exploring technical responses such as obstruction detection but pedestrian behaviour seemed the main issue. The board asked whether more could be done on public education and this would be raised by the team with the industry. [Action – Ian Prosser]
9. The board discussed the pilot of NR self-assurance on authorisations which was being undertaken on the Northumberland line with ORR support. This was a useful initiative to explore ways of streamlining processes. It was an important principle however that there was clear separation between any in-house team doing such assurance work and the team whose work was being assured.
10. The board also asked about progress with in-cab driver attentiveness technology, processes for project stage gates, and changes to Grand Central's management of safety critical functions.
11. Ian reported that agreement had been reached to second a senior inspector into GBRTT to bring focus to safety in the preparations for rail reform. The next HSRC would receive a report on transition risks: Ian noted that leading indicators were critical to spotting emerging risks and that protracted change was hard to manage safely.

Item 5 CHIEF EXECUTIVE'S REPORT

12. John Larkinson updated the board on recent developments and took questions on the written report.

Paragraphs 13-16 have been redacted from the published version as time-sensitive and covering confidential issues.

Item 6 HIGHWAYS MONITOR

17. *This paragraph is redacted as covering confidential issues.*
18. He reported that work was continuing to understand how National Highways planned to meet the 10 minute response target imposed in its smart motorway action plan.
19. The board discussed whistleblowing processes, public education on the new Highway Code and issues around measures for biodiversity and other targets such as noise. Highways Committee would consider a report on National Highways' biodiversity plans at its next meeting.
20. Feras reported on a future submission to DfT for funding to enable the office to undertake the additional work recommended by the Transport Select Committee.

Item 7 QUARTERLY REPORT AGAINST THE BUSINESS PLAN

Lucy Doubleday joined remotely for this item.

21. Lucy Doubleday highlighted the forecast underspend, setting out large items which were covid related and describing work underway to keep the underspend as low as possible for this year. Unused funds are returned to the industry, but significant underspends could suggest that ORR had missed opportunities to do more. Changes to the business

³ High Potential Incidents (NR term)

planning approach would also be introduced to make next year's plan significantly tighter. The board discussed the missed service standard which would also be explained in the annual report.

22. John Larkinson noted that next year's budget and headcount would show significant increases over this year's and it was essential that ORR could demonstrate that it was applying those resources to deliver more as a direct result.

Item 8 MOU WITH HSE

Tim Gill joined remotely for this item

23. Tim Gill described the process with the Health and Safety Executive to develop this simpler Memorandum of Understanding (MOU) which would underpin operational guidance. The board approved the general approach and suggested that an effective MOU required a commitment to keep guidance up to date and this should be included.
24. The board approved the MOU, subject to that change, and delegated final drafting changes to John Larkinson.

Item 9 HS2 – FUTURE CHARGING REGIME

Laura Majithia and Nicolas Paree joined the meeting for this item. Justin Nsengiyumva joined remotely.

25. Dan Brown described how rail operators pay charges to use the rail network, the nature of an investment recovery charge and the strict legal test that had to be met before ORR could permit such a charge. There had been early engagement with DfT to set out the evidential tests which HS2 would have to pass throughout the development of the project.
- Paragraphs 26-34 have been redacted as relating to a document for publication and a future regulatory decision*

Item 10 TARGET OPERATING MODEL PROJECT

Selena Deng, Joel Grundy, and Craig Peters of Q5 joined the meeting for this item.

35. Stephanie Tobyn and the Q5 team described the work done to date and reflected that the feedback from some of the external views did not turn out to be reflected in the current draft consultation document on rail reform. Work on design principles had begun with the executive and analysis of the many different strands of work that ORR delivered was also underway.
36. The board asked questions about the reading pack and the design principles. They queried the degree to which what had worked well in the past could be assumed to work well in future. They noted the importance of clear understanding among staff of ORR's role and strategy and discussed how to bring staff along on the change journey.
37. The board noted the requirement to exercise a whole industry role would require a bigger organisation with a wider set of skills. Understanding what was already done well and what ORR aspires to do better would be important.

Item 11 RAIL REFORM

Rob Cook, Martin Jones, Martin Leggatt and Fabio Hirschhorn Zonana

38. Dan Brown reported on the latest version of DfT's draft consultation. He noted that ORR's substantive comments on previous drafts had been accepted and he felt that the board would welcome the contents when it could be shared.
39. Rob Cook described some of the mechanisms in the draft which would safeguard the various parties, including a role for ORR to comment in public in some situations where government issues directions.

40. The board welcomed the update and congratulated the team on their very effective work to date.

Item 12 COMMITTEE REPORTS

41. Justin McCracken reported on the HSRC meeting in December including items on: rail reform and post covid risks to safety culture; Eurotunnel/Getlink and the interconnector (Eleclink); RAIB's report on Llangennech.
42. Stephen Glaister reported on the Highways Committee meeting in December including a report on the clearance of long incidents and a presentation from DCS Andy Cox on preventing road deaths.
43. Anne Heal reported on the consumer panel meeting in December and the Renco yesterday which had discussed the staff survey results (which continue to be very good), in-year awards and the recent NED recruitment process and ways to further improve the diversity of the board.
44. Bob Holland reported on the ARC meeting the day before and particularly, an internal report on IT asset management, cyber security and the risk register.

Item 13 ANY OTHER BUSINESS

45. **Membership of the Binational Committee:** Dan Brown apologised for not including this item in the CEO's report.
46. The Bi-National Committee (BNC) operates as an informal (non-statutory) body under an MoU with the French regulator ART. It is the mechanism through which we agree to coordinate regulatory actions for both halves of the tunnel.
47. When the Board agreed these arrangements and the MoU, they reserved the matter of appointments to the BNC for the board. There are three members on each side, and Dan Brown heads the UK delegation. Graham Mather and Catherine Williams used to be the other two members. The Board agreed the appointment of Liz Thornhill and Daniel Ruiz to the vacant posts on the committee.
48. The board noted the Items below the line
49. The board noted that the next meeting was due to be held in Birmingham. Given the recent removal of covid restrictions in England, the team would try to arrange for industry visits and explore options for a stakeholder dinner on the agreed date.

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