

**THE OFFICE OF RAIL AND ROAD
191st BOARD MEETING
Tuesday 26 April 2022, 09:00 – 15:00
At ORR, 25 Cabot Square, E14 4QZ
and by MS Teams**

Non-executive members: Declan Collier (Chair), 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: Stephanie Tobyn (interim Director, Economics, Markets and Strategy), Russell Grossman (Director of Communications), Vinita Hill (Director, Corporate Operations) Tess Sanford (Board Secretary) Elizabeth Thornhill (General Counsel), Feras Alshaker (interim Director of Planning and Performance)

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

Item 1 WELCOME AND APOLOGIES FOR ABSENCE

1. The Chair welcomed everyone to the meeting. There were no apologies.

Item 2 DECLARATIONS OF INTEREST

2. No new interests were declared as relevant.

Item 3 APPROVAL OF PREVIOUS MINUTES AND MATTERS ARISING

3. The board approved the minutes of its meeting in March 2022 subject to one typo.
4. The board received an update from Feras Alshaker on two actions outstanding.

Item 4 CHIEF INSPECTOR'S MONTHLY REPORT

5. This was a new format quarterly report and feedback on the layout and content was invited.
6. Ian Prosser highlighted points from the statistics in the report. The PIM was running at an all time low (positive) which might reflect a less busy network. The uptick in the MAA for LUL was notable, but at this stage was not attributable to reduced maintenance spend. The separation of Trams from other systems showed a clearer story around reasons for incidents.
7. Ian reported on Crossrail's progress toward opening the Elizabeth Line – he understood the London Fire Brigade issue mentioned in the report was now resolved.
8. He also reported on engagement with Network Rail's '*modernising maintenance programme*', a successful meeting with the industry on the Carmont recommendation on HSTs, good progress by Network Rail toward compliance with the track worker safety improvement notice, work to close down the Rail Industry Coronavirus Forum now that all coronavirus regulations and guidance had been withdrawn by governments.
9. The board asked questions around the safety of electric wheelchairs/mobility scooters on platforms (in relation to tactile strips), the poor quality of health data available in the industry and ORR's work to foster a culture of wider reporting, Network Rail's

introduction of occupational health clinics following a successful pilot which showed efficiency gains. The board also discussed the continuing threat of asbestos on the network to health and the work in hand by NR to improve its register, (this could be raised with NR at the HSRC in June). The board noted that the data on trams showed that most incidents were caused by public behaviour and that safety improvement was part of LRSSB's work – as well as the relevant highway authorities.

10. The board discussed the emergency stop incident on a Lumo service which was not in the board report. The driver would go through the operator's disciplinary process. The ORR would also consider whether the junction involved could be better protected.

Item 5 CHIEF EXECUTIVE'S REPORT

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

Item 6 HIGHWAYS MONITOR

18. Feras Alshaker updated the board on a whistleblowing investigation. This was now concluded.
19. He described how Operation Brock and covid absences had impacted the 10 minute response time on smart motorways slightly, but this was expected to recover. Regional data would help National Highways understand the different levers better and help manage the response time down.
20. The board noted the continuing absence of any national survey of road user satisfaction.

Item 7 ORR BUSINESS PLAN Q4 REPORT

Lucy Doubleday joined for this item.

21. Vinita Hill introduced the paper which provided a summary of the end of year position, against the budget of £38.2m. The year ended with an underspend of 6% (£2.3m) against budget of which about 3.9% (£1.5m) was within ORR's control, much of it in relation to spending on staff resources. ORR had targeted an underspend of no more than 2%. The unused funds will be returned to industry through reduced charges for 2022-23.
22. A different approach will be taken in 2022-23 including an increased level of over-programming for recruitment and a pipeline of project activity to repurpose any emerging underspend. Better internal reporting would help directors spot and address underspends more promptly and the new applicant tracking system should improve understanding of recruitment and show where action is needed.
23. The board were disappointed at the outturn, noting the importance of being fully staffed to deliver the ORR's functions without excessive pressure on existing staff. They discussed the level of staff turnover and the challenge of recruitment in the current market, particularly for specialists. It was suggested that Renco should focus on recruitment and retention at its next meeting.
24. The board encouraged the executive to be much less conservative in its planning and spending on key resources, including staff and to think creatively, within the rules, about using available funding to deliver the business plan commitments and other necessary work.

Item 8 HS1 – REGULATION OF STATIONS

Debbie Daniels, Howard Taylor joined the meeting with Laura Majithia on line.

25. Feras Alshaker set out some of the context. Although DfT were keen for ORR to take on the work of regulating HS1 stations, and HS1 officials were broadly content,

the HS1 board was anxious not to increase its commercial exposure as a result of the change. The detailed legal drafting might yet turn up unresolvable issues. The board noted the paper and discussed the resources available in ORR to deliver the work and DfT's willingness to fund those for the interim period until the cost could be included in the operators' regulatory costs.

26. The board approved the proposal to take over the regulation of 4 HS1 stations: St Pancras International, Stratford International, Ebbsfleet and Ashford International.

Item 9 NATIONAL HIGHWAYS (item 10 on the agenda)

Dipesh Shah (Chair), Nick Harris (CEO), Elliot Shaw (Executive Director for Strategy & Planning) joined the meeting. Sneha Patel also joined the meeting.

27. The guests gave a short presentation setting out organisational changes in hand, current performance against KPIs and future challenges for RIS2, RIS3 and beyond. The meeting discussed issues including
- Challenges to meeting the 10 minute response time, and the future relevance of the target when stopped vehicle detection was fully rolled out;
 - The risk of future congestion following implementation of post-brexit SPS checks for freight, particularly using Dover, including tactical responses like Operation Brock and longer term facilities.
 - The backlog of development consent orders (DCO), its impact on plans for RIS3 and the implications of the recent grant of a DCO on M4/M54 junction.
 - Areas of expertise in ORR which could be relevant to NH as it got to grips with a more forward looking agenda, including environment, digital tech, and data.
 - The work NH is doing on biodiversity, and the opportunity to make a real difference given the size of its land holding;
 - The lack of an ongoing national satisfaction survey and how NH was seeking users' views in different ways.
28. The meeting discussed public confidence in smart motorways and noted that the tone of public debate was currently more balanced but that confidence was still fragile. NH was doing work to understand public views and undertake public information/education to improve confidence. They were working hard to engage stakeholders but there was a timelag which meant that data on how effective this had been would not be available until 2024.
29. The meeting agreed that the two organisations were working well with each other and communication continued to improve. ORR's role remained to hold National Highways to account, and experience had shown that early sight of emerging plans was very helpful – and enabled the team to draw on relevant experience in other parts of the office. This would be particularly true of thinking around digital roads.

Item 10 PR23 UPDATE (item 9 on the agenda)

Siobhan Carty, Carl Hetherington, Steven Dennis joined the meeting for this item with Nik Robinson, Matt Wikeley, Steve Fletcher, Antony March, Anna O'Connor and Sheona Mackenzie on line.

30. Siobhan Carty introduced the update. Board members would receive a draft of our advice to the UK Government (focusing on England and Wales) by correspondence in mid May in order to meet the tight turnaround deadlines.
31. This item to be redacted as relating to current regulatory process

Item 11 RAIL REFORM

Rob Cook, Martin Leggett joined the meeting for this item with Will Sanderson on line.

36. The team reported on progress and discussed current risks with the board. These included the timing of delivery of the legislative consultation, where progress was now being made, and the more generalised risk of change happening across an already very complex system. The board noted the challenge of maintaining clear accountability lines through any change process, and heard about the practical difficulties being encountered in the relatively small change required to move part of RDG's functions into GBRTT. There was a real risk that management was focused on delivering the start position and no-one was looking beyond that and thinking about how the new system would actually operate or developing the processes to enable it to function. ORR should continue to highlight issues it could see (as it had previously done around safety management).
37. The board noted that the timeline showed clearly where pinch points were likely to occur not just for ORR, but for government and GBR – which could result in short notice requests for input. The board might be called on at short notice to give a view on unanticipated or emerging issues. The board urged the team to continue to look for ways to add value to the process and to keep the bigger picture in view.

Item 12 REPORTS FROM COMMITTEES

38. Bob Holland reported on the agenda covered at ARC the day before, particularly noting a breach of Cabinet Office spending controls on training which might lead to the accounts receiving a regulatory qualification. The committee had discussed the issue at length and felt that while it had not resulted in actual loss or inefficient use of funds, this was a serious process error and qualification of the accounts would be very embarrassing. Process improvements were in hand to prevent a repeat.
39. The meeting had also considered a handful of audit reports from Mazars, and updates on actions in response to the procurement audit, improvements on IT asset management and new fraud and whistleblowing policies for staff. The report on cyber risk had indicated an improving picture in ORR against an increased threat in the wider environment.

Item 13 ANY OTHER BUSINESS

40. The Chair recorded the Board's shock and sadness at learning of the death of Michael Luger, whose appointment to the board had only ended at Christmas.
41. The chair would lead a board effectiveness review later in the year.
42. The board noted the Items below the line.
43. Next meeting in Glasgow, 23/24 May.
44. The board went on to hear a detailed presentation of the ORR's annual stakeholder survey. It noted that results continued to show improvement over time with ORR seen broadly as fit for purpose and performing its role well. Areas for improvement as set out in the covering paper were noted and the communications strategy would reflect these.
45. After this, there was a closed session to discuss organisational development.

Meeting closed at 3.00pm.