



## **TfW Board minutes**

**21 October 2021**

10:00 – 16:30

Venue – Llys Cadwyn, Pontypridd and online

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### **Attendees**

Scott Waddington (Chair); Alun Bowen; Heather Clash; Vernon Everitt; Sarah Howells; Nicola Kemmery; Alison Noon-Jones; and James Price.

In attendance: Natalie Feeley (items 1-3); Leyton Powell (items 1a - 2c); and Jeremy Morgan. Operational update session (Part B): Geoff Ogden; David O'Leary; Lewis Brencher; Lisa Yates; Lee Robinson; and Dave Williams.

The Chair welcomed everyone to the meeting.

### **Part A – Full Board Meeting**

#### **1a. Apologies for Absence**

None.

#### **1b. Notice of Quorum**

A quorum being present, the Chair welcomed everyone to the meeting and declared the meeting open.

#### **1c. Declarations of Interest**

None declared.

#### **1d. Minutes & Actions of Previous Meeting**

The minutes of the TfW Board meeting 16 September 2021 were approved as a true and accurate record.

The actions log was noted.

#### **2a. Safety Moment**

The coming months can be challenging in terms of colds, flu, COVID and shorter days. There is a need to keep an eye on colleagues' welfare.

#### **2b. Customer moment**

There was a recent incident of a young person travelling but not activating their ticket resulting in a fine. The individual was unaware that they had to activate their ticket and thought it was valid if purchased. The Board agreed the need to better communicate messages around systems for ticket purchasing and activation.

## 2c. Safety performance

Leyton Powell joined the meeting.

No incidents were reported for TfW Group over the last period. Work is ongoing to rebuild and renew the strategic approach to mental wellbeing with emphasis on services and support. This includes reengaging SWAG, working with occupational health suppliers and developing a frontline managers toolkit. The Tactical Co-ordination Group (TCG) subgroup has been stepped down as the business steps into BAU. The group was successful throughout the pandemic and proved the emergency process worked.

TfW Rail safety performance over the last period was positive. The Fatality Weighted Index remains low for both workforce and non-workforce events. Physical assaults are still an issue but there was an improvement with only three incidents recorded during the last period, two of which resulted in lost time. The incidents comprised of two verbal assaults including being spat on and one incident resulting from a thrown object.

There was one infrastructure works accident during the period which did not result in lost time. The ORR carried out a review in mid-September with the report identifying the need for some non-critical improvements.

Pullman Rail's Fatality Weighted Index has increased due to several incidents, some of which resulted in lost time. Mitigations have been identified through a continuous improvement programme along with the provision of more direct resource from TfW Group. The Board noted that due to improvements in reporting, figures are likely increase before they decrease.

[REDACTED]

Commented [JM1]: redacted

The Board noted the safety report. Leyton Powell left the meeting.

## 3a. CEO report

[REDACTED]

[REDACTED]

Commented [JM2]: redacted

The Board were informed that the September 2021 timetable change was largely delivered problem-free and the public announcement well-received. Changes included the restoration of two trains per hour to the Valley heads, for which a good deal of negotiation with driver representatives was necessary. The Board were notified that the biggest challenge outside TfW's control in this area is Network Rail having completed track work on time and having secured DfT funding. The Board requested updates at each meeting **[Action Alexia Course]**.

Several technical rail performance issues have been dealt with. However, action is now needed to have in place a set of workforce agreements that allow for a reliable service to be run consistently, especially on Sundays and Bank Holidays.

The Board were advised that Welsh Government confirmation on the acquisition of PTI Cymru is still awaited and given the significant delays experienced, there is a risk that integration will not be achieved for March 2022. It was agreed that the issue would be tabled at the next TfW Steering Board meeting.

Updates were provided on the revised Passenger Time Lost (PTL) metric and the cancelled strike action by cleaning staff following an agreement with the RMT and rail fleet.

The Board noted the CEO's report.

### 3b. Finance

The Board were updated on key financial activity since the previous meeting. The focus has been on closing the funding gap for the current financial year along with development of the request to the Welsh Government for rail COVID funding.

Activity has also consisted of:

- revising TfW Rail Ltd's budget including financial risks and opportunities;
- rolling stock planning and negotiations;
- KPI reporting including the business plan milestones for 2021/22;
- business planning and budgeting for 2022/23 by supporting the Welsh Government with future years planning relating to the Programme for Government;
- rail strategic review and outputs alongside the independent review;
- Pullman Rail transition period and separation from COLAS to become part of the TfW Group including setting in place building blocks for the future;
- potential for funding additional projects / activities within the financial year regarding any Welsh Government surplus funding;
- additional activities including Active Travel Grant payments, bus initiatives, PTI, TfW Innovation Services and other key strategic plans for future financial years including the Future Integrated Transport programme / strategic road network; and
- CVL Programme revised cost line and key drivers including impact to ERDF.

Revenue Expenditure underspend to forecast is at £4.2m predominantly due to the improvement for Rail revenue (£0.5m) and continued underspend of the cost line (£2m) with the balance due to non-cash depreciation. Rail revenue is currently at 71% of pre COVID levels and 11.5% ticketless travel (compared to 9% pre-COVID). This improvement is reflected within the outturn position and recent forecast. Revenue Expenditure outturn has reduced by £18m compared to the previous forecast predominantly due to the release of contingencies and improved revenue within Rail.

Capital Expenditure underspend to forecast is at £23.9m. Underspend relating to rail capital funded projects is at £16.1m either due to reduced or delayed activity. Capital Expenditure outturn has reduced by £28m to the previous forecast predominantly due to revised plans for Rail as discussed with the Welsh Government.

[REDACTED]

Commented [JM3]: redacted

The Board noted the Finance report and welcomed the major achievement of rail revenue levels returning to more than 70% of pre-COVID levels.

Natalie Feeley left the meeting.

[REDACTED]

Commented [JM4]: redacted

**3c. Update on sub-committees**

The Board were updated on meetings of the Major Projects, Health, Safety and Wellbeing and People Committees.

**3d. TfW Steering Board**

The most recent Steering Board meeting discussed issues around climate change, public sector pay, utilities supplies, rail performance, revenue; rolling stock and KPIs.

[REDACTED]

Commented [JM5]: redacted

**Part B – Operational update session**

Lewis Brencher, Geoff Ogden, David O’Leary, Leyton Powell, Lee Robinson, Dave Williams and Lisa Yates joined the meeting.

#### **5. Bus update**

The Board were updated on the progress of several bus transformation workstreams including Fare Fares; the franchising model setting out TfW’s possible role and remit and development of a White Paper; BES reconciliation; Network Development; and Traws Cymru.

#### **6. Comms report**

The previous period saw the completion of some key announcements linked to TfW’s public commitments on rail, including the announcement of the updated plan for December 2022 timetable changes. This dominated several conversations with stakeholders, and whilst some conversations have been challenging, this has been balanced out with some productive workshops which have helped to improve understanding and consultation. new app. [REDACTED]

Commented [JM6]: redacted

TfW’s brand position remains strong and will be supported by the future delivery of the recovery campaign, the timing of which remains uncertain.

The Board noted and welcomed the positive communications report.

#### **7. Strategic Risk Register & Threat Level Report**

All risks within TfW and TfW Rail are now recorded in the risk management system with the exception of CVL Transformation risks which are recorded by Amey Infrastructure Wales.

Engagement on a WelTag rewrite has commenced with the Welsh Government who are keen to utilise TfW’s risk expertise to strengthen the identification of risk within business case development.

There are currently four risks and one issue that have been escalated to Strategic level. Two emerging risks are presented for Executive / Board awareness.

The Board noted the Strategic Risk Register & Threat Level Report

#### **8. Corporate Strategy**

The Board were updated on development of the Corporate Strategy with a more detailed update to presented next month.

#### **9. Milestones**

The Board noted progress against business plan milestones for the quarter ending 30 September 2021

#### **10. Any other business**

The Board were updated on progress on the acquisition of PTI Cymru. The decision still rests with the Welsh Government for Ministerial approval. The Board agreed that the matter should be escalated to the Steering Board.