

TfW Board minutes

16 September 2021

10:00 – 16:30

Attendees

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

In attendance: Natalie Feeley (items 1-3); Leyton Powell (items 1-2c); and Jeremy Morgan. Operational update session (Part B): Alun Bowen; Lewis Brencher; Leyton Powell; Geoff Ogden Dave Williams; Lisa Yates (all items 5-10); Simon Gibson and Matthew Jones (item 5); Lee Robinson (item 8) and Matthew Gilbert (item 9).

The Chair welcomed everyone to the meeting.

Part A – Full Board Meeting

1a. Apologies for Absence

Alun Bowen sent his apologies for Part A.

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.

1d. Minutes & Actions of Previous Meeting

The minutes of the TfW Board meeting 15 July 2021 were approved as a true and accurate record.

The latest action log was noted.

2a. Safety Moment

People should be encouraged to be mindful of winter infections such as norovirus and flu and the on-going importance of hygiene and ventilation.

2b. Customer moment

There is very little indication on trains that face-masking rules are different when entering Wales from England on English-run services.

2c. Safety performance

Leyton Powell joined the meeting. Overall, the last period was positive with no incidents reported for TfW group. Plans, including risk assessments, continue to be developed for the increased use of Llys Cadwyn based around a hybrid and collaborative approach to office working between TfW Group and TfW Rail. Current numbers working in Llys Cadwyn remain very low.

Two Compliance Managers are now in post within the Safety and Sustainability team who will provide the 'second line of defence' to risk management, providing a deep dive on issues where necessary.

Safety and environment advice is being provided to Pullman with immediate actions agreed around areas for improvement.

TfW Rail was the best performing TOC over the last period. Good practice will be identified and built on.

The Board expressed its sadness over a fatality reported during the period resulting from a suicide. Significant work is underway as part of Network Rail's 'Brighter Journeys' campaign which aims to reduce suicides across the rail network working.

There were no RIDDOR reportable accidents in the period, the Fatality Weighted Index reduced and the moving annual average continues to remain lower than the predicted figure. There were also no SPADs or dispatch irregularities. There were 14 workforce events, the majority resulting from anti-social behaviour. There were six physical assaults including three working time lost events.

3a. CEO report

The last month has been one of change. The Pullman Rail Ltd acquisition was completed and strategies for timetable uplifts (outside CVL) for the next few years were also completed. The last period was also one of further consolidation with time to work through detail across the business and increasingly plan properly and more strategically for the short, medium and long terms. By its nature, this consolidation is bringing to the fore several key challenges to address.

[REDACTED]

Several strategic conversations have been held with Network Rail on GB Rail senior managers in NR working together. At present, this engagement remains very positive and there appears to be no threat to TfW.

Performance of the class 769s has improved over the last few weeks resulting from a minor engineering modification which has improved reliability. The Board welcomed increased reliability and agreed it would be appropriate to write to the technicians working on the 769s to thank them **[Action JP]**.

Plans for the December 2022 timetable have been finalised which are in line with previous Board reports and will shortly be communicated to the public.

Planning for the integration of track, signalling, regulation, rolling stock and staffing as part of CVL transformation continues. The Board agreed that given the significant changes and growth of the organisation, a CVL vision piece would be beneficial setting out accountabilities, what it is, how all the different parts will work together, which will be shared with the business to ensure everyone has same vision. This would be shared publicly.

[continued]

3b. Finance

Discussions are ongoing with the Welsh Government around closing the funding gap

The Board noted that the draft revised rail budget was yesterday discussed by the TfW Rail Board. The revised budget reflects covid recovery, but issues remain around the impact of covid affecting growth. [REDACTED]

[REDACTED] The Board agreed that the original bid should no longer be used as a baseline and were informed that the on-going strategic review would provide a new baseline.

The Board noted that:

- the Welsh Government's accounts had not yet been signed-off and so no challenges had been received around CVL asset valuation;
- a KPI scorecard will be presented to October's Board which will include a summary of delivery against the business plan;
- only £1m Active travel grants were paid in quarter one, but the forecast for quarter two is £9m;
- ticketless travel has reduced to 16.8%. Guards are starting to move through the carriages which has resulted in an improvement. The target is to reduce levels to below the pre-covid figure of 9.5%.

The Board noted the finance report including the August 2021 management accounts and TfW Rail management accounts for Rail Period 5 2021-22.

In a discussion around service recovery, the Board agreed the need to ensure customers are charged to use bus replacement services **[Action James Price]**.

TfW Delivery Projects - Live Contract Schedule and Procurement lookahead

The Board noted the live contract schedule and six-month procurement lookahead. Karl Gilmore left the meeting.

Part B – Operational update session

Alun Bowen, Lewis Brencher, Leyton Powell, Geoff Ogden, Dave Williams and Lisa Yates joined the meeting.

5. Autonomous vehicles

Simon Gibson (Burns Steering Group Chair) and Matthew Jones (Welsh Government) joined the meeting.

Simon Gibson shared a presentation on “*Autonomous Vehicles - changing perceptions of vehicle ownership and transport.*” It was agreed that the thinking and principles underlying the presentation will be incorporated into future strategic reviews.

6. Communications update

This last two months have been more positive than the previous period with the removal of social distancing legislation reducing the amount of scrutiny received on the issue. Increasing passenger numbers have been supported by increasing ‘in-person’ proactive engagement activities which have helped to support an improving brand impression. Customer concerns around face coverings are still being managed along with service capacity. The ‘week of action’ on face coverings received a positive response. The delivery of the ‘one domain’ website and completion of the creative development of the demand recovery campaign are key milestones.

The Board noted the Communications and Engagement Board Dashboard report.

Alun Bowen thanked the Communications and Engagement Team for their support in being the first UK company to launch a public consultation for the audit and assurance policy.

7. Risk register

The Board were provided with an overview of the most threatening strategic risks and issues to TfW.

All TfW Rail risks have been transferred to TfW’s risk management system. Training on the system for TfW Rail colleagues has commenced. An exercise continues to re-score and update narratives for TfW Rail risks and TfW Corporate risks to align them with TfW Programmes risks. A best practice review was completed with Transport for London on its approach to Risk and Project Management.

The Board noted the Strategic Risk Register and Threat Level Report.

8. Bus update

Lee Robinson joined the meeting. The Board were updated on the work of three workstreams of the Bus Network Reform programme: funding partnerships; information and systems; and network, infrastructure and fleet.

A meeting with Cardiff Airport recently took place to discuss bus links to the airport and to identify non-rail alternatives. Electric/hydrogen bus solutions under Traws Cymru are being investigated. Further discussions with the Welsh Government are planned. The Board requested an update for the next meeting **[Action Lee Robinson]**

9. Active Travel update

Matthew Gilbert joined the meeting. TfW took on administration of the Active Travel Fund from the Welsh Government in December last year. In total, local authorities across Wales have made over 300 applications valued at £64m, of which 282 were approved with an initial value of over £45m.

In 2021-22, quarter one has seen only £0.8m worth of applications, but the projection for quarter two stands at around £9m. The projection for the full year is a potential underspend of £5m. The Board stressed the need for an

early look at mitigations to prevent an underspend and other potential projects that could be funded on TfW's network **[Action Matthew Gilbert]**.

10. Corporate Strategy

The Board noted the latest update on development of the five-year corporate strategy.

11. Sub-committee updates

The Board were updated on meetings of the Customer and Communications, Major Projects, Audit and Risk and People committees.

The Board approved the revised Major Projects Committee Terms of Reference and were informed that the Committee's focus had been sharpened with a focus on scrutinizing projects on their delivery to time and cost and to ensure all major projects are put through the Programme Management Office's lifecycle and reporting process. [REDACTED]

The Board noted that the Audit and Risk Committee had considered the position of the Chair of the Audit and Risk Committee ("ARC") as a result of his recent appointment as Chair of Pullman Rail Limited. The Board noted a minute of the ARC stating that TfW had appointed Alun Bowen as Chairman of Pullman Rail Limited, a wholly owned subsidiary of TfW on 5 August 2021. The UK Corporate Governance code states that a Chairman of a company should not be a member of its Audit Committee. Pullman Rail Limited does not have its own audit committee and Pullman Rail Limited is highly unlikely to be material in the context of the work being carried out by this committee in relation to the Transport for Wales group. Accordingly, it was agreed that Alun Bowen did not have a conflict of interest and recommended to the Board that Alun Bowen continue in his role as Chair of TfW's Audit and Risk Committee. The Board accepted the Audit and Risk Committee's recommendation.

12. Steering Board

The Board were updated on July's meeting of the TfW Steering Board which was attended by the Welsh Government's Permanent Secretary. The meeting covered key actions and milestones; TfW culture and the approach to a multi-modal transport network; CVL Transformation; TfW's budget; the Future Integrated Transport programme; and the acquisitions of Pullman Rail Ltd and PTI Cymru.

The Chair thanked the Board for its attendance and all meeting contributors.