

**TfW Rail Limited - Board minutes**

**30 April 2021**

**1230 – 1700**

**Location: online**

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**Attendees**

James Price (JP) (Chair); Peter Strachan (PS); Heather Clash (HC); Marie Daly (MD); Jan Chaudhry (JC); Alexia Course (AC).

In attendance: Alun Bowen (TfW NED) and Jeremy Morgan (Board Secretary). Alan Jones (APJ) joined for item 8, Stephanie Raymond (SR) for item 11 and Colin Lea (CL) joined for item 13.

**Part A**

**1. Apologies for Absence**

None

**2. Notice of Quorum**

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

**3. Declarations of interest**

None declared.

**4. Safety Moment**

The Board were reminded of the need to stay alert when crossing roads and the risks of taking short cuts, especially when not being watched when the risk of relaxing and becoming carefree is heightened. The Board were also reminded of the need to lead by example and that when rules are made, they are balanced and sensible.

**5. Customer moment**

The Board considered demand for rail services in the context of businesses changing their working arrangements post-COVID, with many likely to adopt more home-working and hybrid-working practices. There is a need to make use of data from, for example, IoD, CBI, FSB, the Welsh Government, local authorities and other employers. TfW have started to look at this data [**Action: JP to chase with Lee Robinson and Lewis Brencher**]. Different working practices could impact TfW ticket revenue, and the Board agreed that several steps could be taken to improve it including alternative ticketing options, customised travel plans and 'try before buy' schemes.

## 6. Minutes & Actions of Previous Meeting

Subject to minor amendments, the minutes of the TfW Rail Limited Board Meeting 31 March 2021 were approved as a true and accurate record. It was agreed that the Board would provide suggested redactions to JM by 5 May **[Action – ALL]** and that a redactions policy would be developed to cover the TfW Group **[Action JM]**.

The Board reviewed updates to the actions from the previous meeting. A previous action relating to vehicle fleet requirements was discussed. The Board requested clarification on whether telematic systems can be used in the existing vehicle fleet **[Action MD]**.

The Board discussed an action on warranties for the proposed fleet maintenance delivery model. The Board set out the need to scenario plan different types of failure mode and the depot's reactive actions to ensure that warranties are not invalidated. It was agreed that when the maintenance arrangements are defined, workshops will be run with fitters to ensure warranties are not invalidated and that these workshops are included in the integrated plan for rolling stock introduction **[Action JC and HC]**.

## Part B

### 7. High level overview of current issues

JC provided a review of the major issues and developments since the last meeting and updated the Board on significant projects and initiatives. The key issues arising from the overview and discussion were:

- The May timetable changes require careful managing because they require more capacity but under the current Welsh Government guidelines for two metres social distancing where possible.
- The 769s will be gradually introduced into service with the fuel point at Rhymney under construction.
- A plan for out-stabling of rolling stock at Canton is in development. It was confirmed that the safety validation of change will be in place before the plan is implemented.
- Work continues to integrate the Class 230s and Class 153/4s into service.

### 8. Key performance Indicators

Alan Jones (APJ) joined the meeting to provide an overview of the proposed reporting process for TfW Rail strategic KPIs. For each KPI marked as 'red', KPI owners will provide an action plan for mitigation which will be continually updated through the reporting cycle to ensure governance forums are being provided with the latest information, with any changes also shared with previous governance forums. The proposed reporting process was approved.

The Board discussed operational performance through consideration of the KPIs. Performance across the service provision group of indicators was generally positive covering cancellations, Passenger Time Lost and on-time to three minutes. Whilst total cancellations are performing better than target, there are still risks. In particular, fleet reliability is being closely monitored and reliability plans for each class of rolling stock are in development. The Board were reminded of some of the particular risks around fleet reliability, with the Pacers being removed from service from as part of the May timetable changes, and 769s can only be used on one line. Other fleets are generally performing well. The Executive and the Board were challenged to ensure that the focus in terms of investment and resources remains on the main issue around providing an excellent and reliable standard of service. The Board noted that arrangements are in place to provide more depth of analysis on short formations.

The Board were also updated on performance against KPIs relating to customer service and staff absence. Passenger revenue has increased by around 4% but remains low compared to pre-COVID levels. [REDACTED]

Physical assaults and anti-social behaviour incidents have reduced but remain too high. A task and finish group has been set up to investigate.

### **9. Managing Director Board report – period 13**

The Board noted the Managing Director's report for rail period 13, having already covered performance issues.

### **10. Safety report**

The Board noted the safety report for rail period 13. The safety plan is still in production and it was agreed that the first draft would be complete in time for the for the first Safety Committee meeting on 8 June **[Action JS and MD]**.

The Board's Safety Committee will replace the Safety Executive meeting as the company's top safety meeting. PS will Chair the meeting, providing independent challenge and scrutiny on behalf of the TfW Rail Board. The terms of reference and standing agenda are in development **[Action PS, JM]**.

The Board noted the encouraging narrative around occupational safety key performance indicators which remain below the predicted figures. All the end of year operational safety KPI results were below the predicted figures.

The Board also welcomed the positive results from the Covid Cleaning Audit report Rail Maturity Assessment (RM3) Assessment.

### **11. Financial Review**

Stephanie Raymond (SR) joined the meeting. The Board noted the Rail Period 13 financial review. Operating subsidy was £25.2m which was favourable to forecast by +£0.3m. Passenger Revenue was at £1.4m, falling short of forecast by -£0.8m due to the continuing lockdown restrictions. Operating costs were favourable to forecast across all main areas. Delays in recruitment continue to generate favourable savings (+£0.4m) and variable costs such as fuel (+£0.2m) and rail replacement (+£0.4m).

Capex subsidy in rail period 13 was at £34.3m (compared to £3.3m in period 12) due a significant increase in capital initiatives.

The Board also noted negative outturn passenger revenue figures. These were largely attributed to ticketless travel, but the Board asked whether this is also due to other causes and to compare against pre-COVID levels **[Action SR/MD]**.

## **Part C**

### **12. Chester Operational Training Centre**

The Board considered a proposal to lease floor space at The Steam Mill, Chester to accommodate the space required for training accommodation and a new simulator in readiness for transformation of the northern region to achieve the December 2022 timetable. The reasons for selecting the site in Chester were outlined as being the current location for the training activities, time to travel for those who would use the facility and Chester being the biggest TfW Rail depot. Following discussion, the Board paused a decision on the paper's recommendation pending further consideration of other options through an updated paper to be circulated out-of-committee **[Action MD]**.

[REDACTED]

[REDACTED]

[REDACTED]

- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]
- | [REDACTED]

[REDACTED]

[REDACTED]

**14. Draft Framework document**

The Board approved the TfW Rail Framework Document, subject to minor amends. HC and JC were given delegated authority for final sign-off [Action JM, HC and JC].

**15. AOB**

TfW received notification last week that the Welsh Government will be presenting a paper to the new Welsh Ministers covering many policy areas, requesting incremental funding for COVID. Work is on-going to ensure that TfW figures are included within the paper.

The Chair thanked everyone for their contributions and closed the meeting.