



TfW Board minutes

20 April 2023

09:30 – 16:00

Venue – Llys Cadwyn

Attendees

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

In attendance: Jeremy Morgan and Leyton Powell (item 2).

Part A – Full Board Meeting

The Chair welcomed everyone to the meeting.

1a. Apologies for Absence

None. The Board were notified that Natalie Feeley has stood down as the Trade Unions observer on the Board and that a process would take place to identify a replacement. The Board expressed its thanks for Natalie Feeley's contribution to the Board in her role as observer over the last three years and wished her all the best for the future.

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 16 March 2023 were approved as a true and accurate record.

1e. Safety Moment

Amey Rail Limited has been fined £533,000 and ordered to pay costs of £41,000 after pleading guilty to a criminal safety offence. An investigation by industry regulator the Office of Rail and Road (ORR) followed a serious electric shock experienced by self-employed senior linesman during remedial 'snagging' works to overhead lines outside Paddington Station, London. The on-site team were unaware that they were working outside the electrical isolation and as a consequence the individual touched the live 25,000 volts contact wire which resulted in electric shock injuries including 55 per cent burns and impacts on the eyesight and hearing. The Board noted that Amey Infrastructure Wales were reviewing the incident for lessons learnt.

1f. Customer moment

A Board member relayed a their recent experience of overcrowding on TfW trains where conditions for the passengers were very poor, especially for children and a disabled passenger. The Board expressed its disappointment over the incident and encouraged lessons to be learnt, especially around unplanned events. The Board discussed the potential for placing a representative in Control to give the customer perspective in certain situations.

2. Safety performance

The Board were updated on the development and implementation the first consolidated “One TfW” Health, Safety and Business Resilience annual plan. More consideration has been applied to alignment and sharing of programmes and objectives to maximise resources, reduce risk and align the approach to a multimodal system.

[REDACTED]

The Board were updated on several items including an uncontrolled train movement whilst the unit was under maintenance which caused no injuries; a septic tank failure at Taffs Well; on-going actions being taken in response to the recent class 175 thermal events; the one SPaD recorded during the period; and details of the completed security review.

Leyton Powell left the meeting.

3. Strategic update

3a. CEO report

The Board reflected on another very busy period. The Board discussed a proposed approach to delivering minor project sin a significantly different way to drive down costs and the role of the Board in encouraging this through the work of the sub-committees. A discussion took place on the potential merits of utilising an expert in product development and sales from outside the transport industry. Vernon Everitt volunteered to put the CEO in contact with the Interim Customer and Growth Director at Transport for Greater Manchester to call on his experience [**Action Vernon Everitt**].

The Board were informed of on-going work with the Welsh Government to consider the medium-term financial position of the railway through the development of a Rail Affordability Plan. The plan is based around a future that has both a positive policy output and better subsidy position. The Board noted that it requires significant evolution in organisational culture to deliver.

[REDACTED]

The first joint bus franchising Senior Leadership Team meeting between the Welsh Government and TfW was held in TfW’s offices in late March. The aim of the monthly meeting is to develop a more strategic set of plans between TfW, the Welsh Government and local authorities.

The Board were also advised of a recent visit to Transport for Greater Manchester, with important lessons learnt on bus franchising around avoiding legislative pitfalls; the size of the task in hand; and the potential benefits of TfW's mode agnostic structure and existing rail business which are opportunities not available to Manchester.

Alun Bowen joined the meeting.

The Board received an update on progress with the CVL transformation project which continues to move forward at pace and towards several entry into service events. The Board were informed of several recent supply chain failures, with the Board assured that lessons are being learnt. This month also saw the official launch of the first Metro style trains onto the network.

[REDACTED]

The Board welcomed good Active Travel Fund performance which has reported a year-end spend forecast of £48m, 97% of which is funded via grants to local authorities and with the remaining balance for a Cl153s active travel project. The Board agreed that the Welsh Government and TfW should deliver a joint presentation to the Board on the longer term plans for the Active Travel Fund **[Action Geoff Ogden]**.

The Board noted the efforts of the Finance team and the ELT on end of year finance performance.

The Board were also updated on Cardiff Central Enhancements Cardiff Parkway; development of KPIs and new gatelines at Newport station.

3b. Finance and governance

Financial year end close has dominated activity over the last month with revenue expenditure £0.53m under forecast due to ringfenced Traws Cymru grants. Capital expenditure overspent by £0.13m. An addendum to the 2022-23 funding letter from the Welsh Government is awaited.

The Board were informed that progress on CVL fibre project appears to have stalled with an update awaited from the Welsh Government. The Board expressed its view of the importance of maximising commercialising the asset.

3b. Tax strategy

The Board approved a strategy TfW and its subsidiary companies and the approach to conducting tax affairs and dealing with UK tax risk.

4. Sub-committees

The recent meeting of the Health, Safety and Well-being committee discussed the class 175s thermal events and subsequent ORR notice, CVL and the OLE communications plan.

March's People Committee meeting considered TOM next steps, an update on behaviour change, pay award, internal communications, sickness absence targets and reward and recognition.

The recent Audit and Risk Committee meeting received presentations on procurement, the developing Internal Control Environment, internal audit including approving the 2023/24 plan, the tax strategy, and risk.

5. Subsidiary Boards

The last TfW Rail Ltd Board meeting discussed performance, safety, commercial strategy, [REDACTED]

6. Steering Board

The recent TfW Steering Board discussed TfW's funding for 2023/24, rail affordability, multi-modal culture, a general update from TfW's CEO's, and the Cardiff bus interchange project.

7. Board effectiveness

The Board noted the positive results of the recent board effectiveness self-assessment. The Board were keen to receive external feedback on its feedback including tools such as 360 degree feedback. The Board would also welcome an update on stakeholder mapping and to engage more with stakeholders. It was agreed that the non-executive directors should contribute to Executive performance reviews through the Remuneration Committee. The Board approved the report's recommendations.

Part B – Operational update session

8. CVL

Karl Gilmore joined the meeting. The Board were updated on progress with the CVL Transformation programme around commissioning, costs, construction risks, operational readiness, Taffs Well depot, energisation in Canton depot, a recent meeting with WEFO on ERDF funding, and testing.

Karl Gilmore left the meeting.

9. Code of ethics

The Board approved the TfW Code of Ethics which would cover all TfW staff. The Board agreed that the Board and the ELT need to lead by example and set the tone for the organisation's culture. The Board would welcome ethics training for itself and the ELT.

10. Active Travel

Geoff Ogden joined the meeting. The Board were reminded of the positive financial year-end position of the Active Travel Fund and were notified of audit work including a future active travel review by Audit Wales.

11. Risk register

Leyton Powell joined the meeting.

A risk management internal audit has been undertaken for 2022/23 which gave an opinion of "Good," identifying several areas of good risk management practice.

TfW's Risk Management Strategy has been reviewed and updated setting out the organisation's risk priorities for 2023/24. The Audit and Risk Committee approved the Strategy at its March meeting.

The Board noted the Strategic Risk Register.

Leyton Powell left the meeting.

[REDACTED]

Alexia Course, Marie Daly, Jan Chaudhry Van der Velde and Lewis Brencher joined the meeting.

[REDACTED]

13. Multi-modal culture

Peter McDonald, Stephen Rowan and Gareth Evans (all Welsh Government) joined the meeting.

The Board welcomed visitors from the Welsh Government to discuss a paper produced by the Welsh Government on developing a multi-modal culture covering leadership, bus, active travel, the strategic road network, collaboration, planning and performance indicators. The principles of the paper and TfW’s response will form part of TfW’s remit letter.

Following discussion the Board agreed to reply to the paper **[Action Heather Clash]**.

The Chair brought meeting to an end and thanked everyone for their input.