



TRAFNIDIAETH CYMRU TRANSPORT FOR WALES

TfW Board minutes

16 January 2025

09:00 – 16:00

Venue – Llys Cadwyn and Teams

Attendees: Scott Waddington (Chair), Alun Bowen, Heather Clash, Vernon Everitt, Louise Cheeseman, Rhian Langham, Vinay Parmar and James Price.

In attendance: Jeremy Morgan, Stephen Morgan, Sam Hadley (TfW), Peter McDonald (Welsh Government) Andrew Morgan (WLGA) and Alan McCarthy (Unite).

The Chair welcomed everyone to the meeting.

1a. Apologies for Absence

None.

1b. Notice of Quorum

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

1c. Declarations of Interest

Louise Cheesman is a Director of Go Ahead Group Ltd.

1d. Minutes & Actions of Previous Meeting

The minutes of the TfW Board meeting 18 December 2024 were approved as a true and accurate record. The Actions Log was noted.

1e. Safety moment

The Board were informed about an accident last summer where the first person on scene was a first-aid trained Network Rail employee. The Board reflected on the possibility of TfW colleagues being in the same position and the culture of serving the wider community.

1f. Customer moment

The Board reflected on several members positive experience of using TfW's Pay-As-You-Go system.

2. Safety update

Dean Katchi joined the meeting.

The Board received and noted an overview of the Health, Safety and Resilience report contained in the pack. The Board were updated on:

- Recent meetings with the Bus Franchise team to review a draft version of the strategic overarching approach to safety and security as part of the on-going bus franchise work.
- The development of KPIs for 2025/26 that will align with the Health, Safety, Security, and Resilience Plan. The aim is to establish clear, relevant, and quantifiable metrics that will enhance decision-making, ensure accountability at all levels of the business, and clearer links with the annual business plan. The Board welcomed the approach and encouraged alignment with Vision Zero **[Action Dean Katchi]**.
- The last period saw an increase in non-workforce accidents, mainly in the station environment. The Board asked about plans for non-workforce incidents and were informed that the approach to such incidents is being reviewed by the Customer Accident Prevention Steering Group. The Board discussed training provision for bus drivers and interchange staff on supporting customers with dementia **[Action Dean Katchi]**.
- Operation Genesis successfully concluded over the Christmas and New Year period. More than 200 people were refused travel due to unacceptable behaviour or intoxication.

Josh Hopkins joined the meeting

- The Board requested a proposal and plan for further work on supporting the safety of women and girls **[Action Josh Hopkins]**. The Board noted that safeguarding procedures have been refreshed and training is being rolled out.

Jan Chaudhry Van der Velde joined the meeting

- The Board were updated on progress with the Talerddig incident investigation.

Dean Katchi left the meeting.

3. Strategic risk management

The Board noted the content of the strategic risk management report and were briefed on recent and planned risk identification workshops and deep dives, a planned ELT risk management process workshop, and minor changes to the Strategic Risk Register.

Jan Chaudhry Van der Velde and Josh Hopkins left the meeting.

4. CEO report and update

The Board received an overview of the Chief Executive Officer's report:

- Significant signalling work as part of the CVL Transformation Project was carried out over the Christmas and New Year period. Although some issues were encountered, they were successfully mitigated. The Board thanked the relevant teams for successful completion of the works.
- Operational rail performance has continued its better trajectory with CVL PTL affected in the last full period and only marginally missed for the WCB. [REDACTED]

[REDACTED]

The Board discussed cancellations and were advised of the issues currently affecting unit availability, particularly the availability of CAF units from the Chester depot. An expert review is to be carried out, along

with a planned 'summit' involving TfW, the Welsh Government and CAF. The Board noted the wider issue around finding a balance between cancelling services and achieving PTL targets.

- Issues around the integration of Class 756s on the network were summarised, with work on-going to find the reasons and solution for having one less unit in service than planned. The Board were assured that an on-going beacon failure issue does not pose a safety risk. The equipment is undergoing testing.
- The Board were reminded of the significant changes in service due to the December 2024 timetable change. The change caused several issues whilst 'bedding-down', mainly in relation to congestion at Canton Depot. Potential mitigations are being explored.
- Discussions both internally and with Network Rail continue on rail reform. The Board discussed TfW's need to share and clarify its specific requirements from the exercise with DfT and GBR officials, along with potential risks and opportunities of the programme. The Board noted the emerging clarity on how TfW and Welsh Government will work with the new entity through the Welsh Government's shared policy principles. The Board asked whether contact has been made with other businesses impacted by rail reform such as freight operators and open access operators **[Action James Price]**. The Board reviewed a model for how rail reform could operate in Wales and requested that various scenarios of how decisions would be made through this system are tested **[Action James Price]**, particularly how Schedule 4 and Schedule 8 would be worked through. The Board also requested an outline timeline and how the programme might align with TfW's strategic plans for the next five years and how it might impact the customer **[Action James Price]**.
- Work continues with local authorities and operators around the evolving bus agenda. A dedicated Bus ELT took place earlier this week. The Board welcomed the Rail Board's approach to being increasingly conscious of bus and multi-modalism in its deliberations.
- The Board welcomed additional controls on CVL spend and appreciated the challenges around achieving financial targets becoming more difficult to achieve as the programme moves towards the final stages. The Board were cautioned that work is still being tendered which brings a level of uncertainty and reduced opportunities for scope reduction. [REDACTED]
[REDACTED] Work is on-going with the Welsh Government to ensure sufficient contingency in the budget for the next financial year.
- The Board noted the intention for regular updates on T-network development and when the need arises, for deep dives into areas of interest. The Board welcomed Vernon Everitt's offer to provide support with briefing and providing reassurance to Ministers.
- A discussion took place on May's session with the Cabinet Secretary for North Wales and Transport and agreed priority areas for discussion should be marketing, sales and investment.
- The Board welcomed the improved performance of train wheelsets in Autumn 2024, compared to previous years, illustrating the benefits of the proactive preparations and pre-Autumn tyre turning. The Board noted the intention to replicate the programme in Autumn 2025.
- Significant progress has been made on managing the IFRS budget risk for the next financial year. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- The Board welcomed the positive work done to ensure a good exchange of letters with the UK government around potential future rail investment.

5. Finance

The Board noted the management accounts for TfW for December 2024 and TfW Rail Limited rail period nine. The management accounts for the period including the Rail Ltd period 9 were presented to the Board and discussed.

Variances in the month were discussed including Rail Passenger revenue due to the various storms which have affected services.

Financial risks and opportunities alongside the outturn position were discussed with the Board including the funding arrangements from the Welsh Government with specific reference to CAF and liquidated damages.

The board was advised that the final version of the 25/26 budget would be presented during the February Board including a multi-year view.

Alan McCarthy left the meeting

7. CVL

Dan Tipper joined the meeting

The Board welcomed the recent accomplishment of two significant milestones, completion of the Christmas Signalling Panel changeover works at Network Rail's Wales Route Operations Centre (WROC), and the introduction of Class 756s on the Treherbert Line. The Board noted that lessons learned have been captured and the good engagement with Network Rail.

Works continue on the preparations for the major commissioning events in 2025, with on energisation of the three OLE sections during the course of the year. Successful completion of these events and subsequent authorisation allows the Class 756 fleet to Enter into Service on their end state routes.

Engagement is ongoing with suppliers to deliver the revised approach to programme phasing. Various contractor works have been paused or stepped down and the realignment / simplification of the delivery strategy enacted. As part of the process of transitioning to the revised delivery approach, work continues to secure full or interim final accounts with each principal member of the supply chain as well as resolving any outstanding contractual disagreements to provide a robust baseline position to take the programme forward. ■

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The Board were informed that additional and regular commercial/finance reviews remain to manage risks and the change control process. Key to this is the close out of historic contract final accounts and issues with all suppliers. The transition to lump sum or target cost for future works engagement remains on track.

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The Board asked whether there is a clear pathway to close out of the programme and were informed that there is, but risks remain with some remaining parts of the pathway still evolving.

Dan Tipper left the meeting.

8. Corporate reporting

Michael Pearce joined the meeting.

The Board were informed that 42% of business plan milestones had been delivered by the end of Q3 (to 31 December 2024). A letter to the Welsh Government has been drafted outlining the current position and the milestones to be cancelled which are subject to the agreed change control process.

The Board considered and noted the corporate key performance indicators for the period 1 October 2024 to 31 December 2024. The Board discussed the need to demonstrate the impact the indicators are having on the business and what they are driving. It was agreed that this was a good opportunity to hold an internal review which should include how ELT KPI owners can be held to account, and how sub-committees can use KPIs for scrutinising performance **[Action Heather Clash]**.

Michael Pearce left the meeting.

9. Pullman

The Board were updated on developments at Pullman Rail Ltd. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9. Subsidiary Boards

The Board were updated on recent TfW Rail and TfW Board meetings.

10. Rail Reform

Alexia Course and Fiona Lewins joined the meeting

The Board considered the content of a paper noting the status of discussions on the opportunities or risks that rail reform may pose to Wales and Borders rail services and/or TfW. The Board discussed potential models of operation; operating principles; the need to factor in TfW's strategic intentions around multi-modalism; the need to link with wider policy objectives such as economic growth, social inclusion and sustainability; and the need to articulate the potential benefits.

Alexia Course and Fiona Lewins left the meeting.

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