

Minutes for TfW Board July 2019

09:15 – 15:30; 17 July 2019

South Gate House, Cardiff

Attendees

Scott Waddington (SW); James Price (JP); Heather Clash (HC); Sarah Howells (SH); Nicola Kemmery (NK).

Lewis Brencher (LB), Alexia Course (AC), Geoff Odgen (GO), Karl Gilmore; Lisa Yates (LY) (all Part C items a to l);

Gareth Morgan (GM) (Part A items 1-3 and Part C items a to l)

Jeremy Morgan (Secretariat) (JM)

Part A: Full Board Meeting

1) Introduction

a. Apologies for Absence

Alun Bowen (AB)

Alison Noon-Jones sent her apologies for the morning session

b. Notice of quorum

A quorum being present, the Chair declared the meeting open.

c. Conflicts of interest

No conflicts of interest were declared.

d. Minutes of previous meeting

The minutes of the Board meeting from June 2019 were approved as a true and accurate record subject to one minor amendment.

The Board reviewed and updated the actions log. Several actions would be dealt with during other agenda items at this meeting

2) Decisions taken by email since last meeting

The Board were presented with a proposal to establish a subsidiary company to act as an infrastructure manager of last resort (IMLR). The Board unanimously agreed to Transport for Wales setting up and registering a shell company to be named WIMLR Ltd (Welsh Infrastructure Manager of Last Resort Limited) or similar which can be mobilised to become the legal entity CVL infrastructure manager at short notice if required and that James Price and Heather Clash are appointed as Directors of the dormant company.

3) Safety

a. Safety moment

The Board expressed its condolences to the families involved in the recent tragic accidents in Margam and the North Wales coast and discussed lessons to be learnt.

b. Safety performance

The Board discussed the previous periods safety performance. Incidents involving trees hitting trains had occurred in Abergavenny and St. Fagans causing disruption. TfW staff had met with Network Rail to discuss the incidents and Network Rail's procedure for surveying for dead trees. The Board were informed of the potential difficulties faced by Network Rail if dead trees near the track are from private land. TfW Rail Services wrote to Network Rail stating their dissatisfaction that these incidents occurred and have requested a copies of accident reports. The Board agreed that tolerance levels are probably too high, and that these types of incident are unacceptable.

The Board also discussed the 11 July fatality when a woman died on a level crossing on the North Wales coast after being struck by a TfW Rail Services train. The Board asked whether this crossing could be made safer and were informed that a bridge providing accessibility for all would present significant logistical and cost issues. The Board were also informed that 12 level-crossings of similar characteristics were on the Core Valley Lines network that will be TfW's responsibility post-transfer. The Board also discussed whether such crossings could be fitted with an automatically closing gate.

The Board requested an update on discussions between Network Rail and TfW Rail Service on the strategy for dealing with CVL level crossings and the potential for using technology to ensure greater safety.

Action: GM to provide the Board with an update on discussions with Network Rail on the strategy for dealing with CVL level crossings and the potential for using technology to ensure greater safety.

The Board discussed data on anti-social behaviour on the network. The data showed significantly more incidents on trains than in places such as the station, car parks etc. Although the data shows the number of incidents is increasing, this may be due to Rail Services encouraging staff to report incidents. A programme is in place to try

and deal with anti-social behaviour issues and includes joint monthly meetings with BTP, Rail Services, the Police and Rail Services staff who have been verbally and physically assaulted.

The Board also discussed the incident in Margam when two Network Rail workers unfortunately lost their lives. Lessons from the incident will be learnt and applied once the report of the incident is available.

ACTION: GM to provide the Board with a paper on lessons learnt from the Margam incident post release of the report as they might apply to CVL.

4) Strategic development update

c. CEO report

The Chief Executive updated the Board on a summary and commentary on activities over the last month. PTL and Short formation performance dipped over the last period. The cause was a mixture of the fragility of the fleet combined with track infrastructure faults. More in-depth reports on causes for drops in performance are being sought. However, progress has been made on gauging for cascaded rolling stock.

Although progress is being made on transferring the CVL asset from Network Rail to TfW, several issues need resolution, particularly funding for OM&R and track access agreements with freight operators.

The Board discussed TfW's general approach to capital projects and that infrastructure projects need robust due diligence before being proposed.

ACTION: JM to ensure that the Llanwern project is added to the Steering Board agenda

The Board also discussed the Cardiff Interchange project and the need to close out safety issues and inform the Welsh Government.

ACTION: GO to work with GM and Welsh Government to close out Cardiff Interchange safety issues

The Board discussed TfW employee pay and the need for progress on formalising the process for annual pay awards.

ACTION: LY to prepare paper on annual pay awards for the People Committee

d. Finance

The Board were informed that the Dynamics system is fully up and running and there are on-going activities required to embed processes within TfW including timesheet completion and approvals, other processes including receipting of goods/services delivered. The next step is to deliver dashboard reporting in September/October post embedding the processes and system.

The Board noted and discussed June's management accounts. Whilst there is a proposed budget with the Welsh Government, this is not yet agreed, and the management accounts continue to be reported without a comparison to a phased budget/forecast. Key highlights from accounts were:

- Resource Expenditure - spend is at £14.8m of which £13.7m relates to rail and pass through to the ODP.
- Capital expenditure - spend is at £5m of which 99% relates to CVL.

e. Sub-committees update

The Board received an update on the recent People Committee meeting, with most of the meeting taken up with discussing accommodation at South Gate House and Pontypridd and related engagement requirements.

f. Steering Board update

The Chair provide feedback on the most recent Steering Board meeting with the Welsh Government, the main topic of which was the transfer of functions from Welsh Government to TfW.

g. Governance adherence / performance

No issues were raised.

Part B: Confidential session

a. Confidential HR matters

HC declared a conflict of interest and left the meeting for this item.

This item has been separately minuted.

Part C: Operational update session

AC, LB, GM, GO, LY and KG joined the meeting. HC re-joined the meeting.

a. CVL Asset Transfer Trigger Decision

[REDACTED]

[REDACTED]

b. PRM and fleet refurbishment status

[REDACTED]

[REDACTED] The Board also endorsed the decision to prioritise the PRM legal requirements for refurbishment. The Board noted the paper and approved it for sharing with the Welsh Government.

The Board discussed the need for communications around the availability of PRM compliant trains.

ACTION: LB to work on a strategy for communicating to customers about PRM compliant trains.

c. Readiness for transfer of functions

The Board were informed that discussions with the Welsh Government continue and the Board will be presented with a paper when more detail is known.

d. Annual Report update

The Board were provided with an update on progress with the draft TfW annual report and accounts for 2018/19.

e. Gender pay gap

The Board were presented with gender pay gap figures. The gap is wider than would be hoped for, but the gender balance is fairly positive in comparison to industry like for like organisations. The organisation is still developing and this is an issue recognised which requires management. The figures need further benchmarking against the wider public sector and rail industry.

The Board were also updated on mandatory training. By the end of June, 82% of courses were complete. These courses will form part of the induction for new staff to complete within a three-month period. It was agreed that focus groups on the pulse survey from the staff conference would include a discussion on mandatory training.

f. Communications

The Board discussed the latest communications dashboard. The headline was a slight drop in overall brand impression, but this reflects the higher levels previously experienced at the time of the tv advert. The Board also discussed the TfW website.

ACTION: LB to update the next Customer and Communications committee on key milestones for updating the TfW website

The Board were informed that significant progress had been made on stakeholder engagement.

The Board were also made aware of concerns over the length of time to resolve customer service issues such as Delay Repay. It was agreed that this needs to be raised at a future Joint Steering Group meeting.

g. Advisory Architecture

The Board were presented with a paper requesting approval for the next steps of establishing TfW's advisory architecture. The advisory architecture aims to help ensure that stakeholders and customers have a clear structure by which to advise TfW on its development. The Board approved the report's recommendations to set up a formal advisory group to allow it to engage with stakeholder bodies and improve levels of public awareness about TfW's responsibilities, functions and lines of accountability; and develop and publish a comprehensive communications and engagement plan setting out its approach. The Board also agreed that the panel requires an independent non-paid Chair, appointed through interview.

h. Communications Strategy

The Board approved the Communications Strategy

i. Key risks and mitigations

The Board discussed the latest version of the strategic risk register and reviewed changes made since the previous review.

j. CVL and Catastrophic Incident Risk

The Board discussed a paper on the financial risks if a catastrophic incident should occur on the Core Valley Lines following transfer to TfW control. Although the Board agreed with the principle for TfW to self-insure for 18 months as this may present better value-for-money, the Board requested a market quote.

ACTION: DOL to clarify whether the broker had been approached to discuss insuring against catastrophic risk.

k. Progress against milestones

The Board were updated on progress against key milestones.

l. Accommodation update

The Board considered and noted a paper on TfW's current and future accommodation requirements. The Board discussed issues around current accommodation at South Gate House. The Board agreed for the TfW Executive to make a decision on leasing additional 4th floor space should the deal be comparable with current arrangements.

The Chair thanked all present for attending the meeting.

Date of next meeting: 19 September 2019.