



TfW Board minutes September 2019

10:00 – 15:50; 19 September 2019

South Gate House, Cardiff

Attendees

Scott Waddington (SW) (Chair); James Price (JP); Heather Clash (HC); Sarah Howells (SH); Nicola Kemmery (NK);
Alison Noon-Jones (ANJ); Jeremy Morgan (Secretariat);

Part C: Alexia Course (AC); Karl Gilmore (KG); Geoff Ogden; David O’Leary (DOL); Lewis Brencher (LB); Lee Robinson (LR); Victor Garrick (VG) (Part A item 2b); Ben Hutchison (BH) (Part C item 5); and Natalie Rees (NR) (Part C, item 10).

Part A – Full Board Meeting

1a - Apologies for Absence

Alun Bowen and Gareth Howells both sent their apologies

1b - Notice of Quorum

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

1c - Conflicts of Interest

SH declared her current role as Head of Service for Orangebox in reference to Part item k - Pontypridd accommodation.

1d - Minutes & Actions of Previous Meeting

The minutes of the Board meeting 17 July 2019 were accepted as a true and accurate record, subject to some minor typographical changes and an acceptance of redactions.

The Board discussed progress against several actions from the previous meeting.

2a - Safety Moment

In early September, the Lanes Group was fined £0.5m after a worker fell from a ladder from a height of 14 foot and suffered injuries including a broken collarbone, 11 broken ribs and a punctured lung while cutting back vegetation at

Brent Cross viaduct. Investigations found that Lanes had not provided a safety briefing, that site inspection had been inadequate and Lanes failed to realise that using ladders was inappropriate for the task. The incident served as a reminder that smaller tasks need to be taken as seriously as larger contracts.

2b - Safety Performance

Two Riddor reportable staff injuries occurred in periods 4 and 5, one involving a colleague at the Canton depot who fell and fractured a wrist and ankle. The second incident involved a conductor who slipped on fluid which had leaked from train doors, resulting in a knee injury

Six category A SPADs were reported in periods 5 and 6. This prompted TfW Rail Services to investigate the reasons behind these incidents. No trend or repeat offenders was identified. TfW Rail Services are providing additional training and awareness for drivers.

Since July's Board, workshops on dealing with assaults have taken place for conductors and drivers in Cardiff and Chester to provide them with knowledge and training on conflict resolution. Although the two cannot be directly correlated, the last period saw a reduction in incidents. Discussions and workshops are ongoing to with stakeholders including BTP, to identify potential solutions that do not involve simply passing on the problem for another party to deal with.

TfW staff recently visited London Trams to discuss lessons learned from the 2016 Croydon tram accident. The key issues were around dealing with fatigue management. Discussions are taking place over trialling a virtual tram system and the use of a 'Driver Vigilance Device'. Findings have been shared with TfW Rail Services.

A 'close call' process has been adopted in South Gate House which will be the subject of the next Safety Brief.

TfW's Senior Leadership Team last week approved a Drug and Alcohol Policy which will go to the People Committee on 1 October for ratification. The policy includes a commitment to carry out random drug and alcohol testing.

ACTION: GM - provide feedback on random drug and alcohol testing for the next Board meeting

[REDACTED]

[REDACTED]

[REDACTED]

3a - CEO's Report

The Board discussed the CEO's report setting out his take on the business since the last Board meeting. The Board were informed that the last few months had been very busy [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Work is on-going to develop a final price for CVL Transformation through reviews of the scope and design and identifying potential value engineering opportunities. The Board discussed the current estimated final target price and were fully sighted of potential cost increases and measures implemented to drive down costs. [REDACTED]

[REDACTED]

TfW's annual report is scheduled for publication at the end of the month. Thanks were expressed to the production team.

TfW is providing support to various projects led by the Welsh Government such as the Burns Commission. The Board agreed that both the Board and Senior Leadership Team should review any TfW outputs prior to submission to the Board. The Board were informed that TfW's role is however, only to provide technical advice to the Committee.

ACTION: SW and JP to meet Burns Commission Chair when scope of the work is clear

Rail Services experienced difficulties over the Summer period, with worse than expected PTL figures and short forming. This performance led to TfW issuing a performance improvement notice to Rail Services. TfW accepted that there are some mitigating circumstances such as the late delivery of class 769s and on-going maintenance issues with the existing fleet.

Rail Services are also in the process of finalising plans for the delivery of the December Timetable, which has been reviewed and supported by TfW's Senior Leadership Team. The plan allows for a 10% increase in capacity but will require Pacers to remain in service into 2020. Discussions are required to determine the strength of the supply chain for Pacer parts and maintenance.

ACTION: JP to discuss with the ODP Pacer supply chain issues

The Welsh Government has written to TfW supporting the deferral of CVL asset transfer until 31 January 2020. Work is still on-going to allow the transfer to be triggered in December. [REDACTED]

[REDACTED]

[REDACTED]

ACTION: SW to discuss with the ODP the need to prioritise finding a resolution with the Fright Operating Companies on access to the network post CVL asset transfer.

The Board discussed the recent issues over the rollout of replacement concessionary bus passes. The Board agreed that it was important to learn and apply lessons right the across the roll-out and governance of the project.

ACTION: LR to provide the Board with a formal lessons learnt report with mitigating actions on delivery of the concessionary bus pass project

The Board were updated on the transfer of catering services from Rail Gourmet to Tfw. A discussion took place on the need for the Board to have assurance on Tfw's readiness to accept and manage catering services. It was agreed that this would take place at November's Board meeting.

ACTION: AC – to provide assurance to November's Board on Tfw's readiness to accept catering services

The Board also discussed the need for clarification on project governance, the use of change boards and when the Board should intervene and/or influence.

3b - Finance

The Finance team continues to manage several transformation workstreams including streamlining and process improvement activities and the development of reporting through the finance system through data analytics for forecasting; reporting and extract of data; and project dashboards. Finance Team recruitment continues, reflecting the need for more support for additional activities such as catering and CVL asset transfer.

The Board were informed that the Welsh Government has still not yet agreed a final 2019-20 budget. However, Tfw has provided the Welsh Government with a phased budget and additional explanation and understanding.

Internal audit activity continues. A payroll audit is complete and terms of reference for business continuity, P2P and expenses have been drafted. Discussions are also ongoing regarding next year's external audit and identification of audit focus areas and risks.

The Board were informed of the key items from August's management accounts. Resource Expenditure for August 2019 is at £17.2m of which £16m relates to Rail and pass through to the ODP. Capital Expenditure for August is at £7.3m of which 97% relates to Rail. The Board noted the August 2019 management accounts. The Board had previously noted July's management accounts via email.

The Finance Team is assessing the potential for using procurement/credit cards because these will impose spending limits.

3c - Update on Sub-Committee Progress

The Board noted the minutes from June's People Committee meeting and requested an update at its October meeting on progress with discussions with TfW Rail Services on Pontypridd accommodation.

Action: ANJ to provide an update at October's Board on progress with discussions with TfW Rail Services on Pontypridd accommodation.

The Board noted the minutes from July's Customer Experience and Communications Committee meeting. Progress is being made on developing a customer digital strategy, but the work needs to be joined up with TfW Rail Services.

ACTION: JP to ensure customer digital strategy is properly integrated with TfW Rail Services

3d - Steering Board Update - Chair

The Chair updated the Board on last week's Steering Board meeting when the Welsh Government outlined key priorities around legislation and the creation of a new transport strategy.

The Chair confirmed that Vernon Everitt of Transport for London has accepted a position as a TfW non-executive director commencing 1 October following a competitive recruitment process. Chris Gibb has been appointed as TfW senior adviser.

3e - Governance Adherence / Performance - James Price

The Board agreed it would benefit from an update on progress against EIS Committee report recommendations.

ACTION: JM to provide an update on progress against EIS recommendations

Part B – Confidential session

No items were discussed

Part C – Operational update session

1 - Communications

The Board were informed that the brand score for July was a record high of +17.4, but dropped to +4.1 for August, influenced by multiple factors including operational challenges and a decrease in the number of significant

announcements. There has also been an increase in the volume of proactive social media engagement following the development of types of content including social video, infographic videos and podcasts.

Valleys Task Force events are now taking place in partnership with the Welsh Government which have provided opportunities to engage with local elected representatives and communities. This week also saw the relaunch of the Station Improvement Vision.

2 - TfW Risk Register

The Board noted and approved changes to the Strategic Risk Register.

3 - Brexit Risks update

The Board noted and approved a Brexit risk register providing an overview of possible implications of a 'no-deal' Brexit. The Board discussed actions to mitigate the biggest risks around supply chain and fuel supply. TfW is being included in Welsh Government communications.

4 - Progress against milestones

The Board received an update on the progress against key milestones. TfW's Corporate Plan is under development and will be the focus of a Senior Leadership Team day on 3 October.

5 - Update on Bus Concessionary Passes - Lee Robinson

BH joined the meeting and provided commentary on the events leading up to the launch of the on-line system for renewal of concessionary bus passes and that caused issues with the system last week.

The Board asked about applications only partially completed because of bandwidth problems. It was confirmed that a mop-up exercise would be completed.

The cause of the issue appears to have been where servers required interaction with each other. A process is underway to load and test the system to simulate up to 15,000 applications per hour. A beta test will be run prior to a full re-launch of the system on approval of the Board. The Board approved the Beta testing on Friday 20 September.

Paper applications have also been made available with copies sent to all local authorities. Staff are also out using tablets to complete applications.

It was clear that customers were perceiving that TfW and not local authorities were running the bus concessionary pass scheme when this was not the case. However, staff had stepped in to provide help to customers where possible.

The Board agreed that a discussion with the Welsh Government was needed given that TfW's remit for the scheme which technically concludes on 31 December.

The Board believed that TfW will need ongoing engagement, given the TfW branding now embedded on the concessionary cards.

ACTION: LR to draft paper as basis for discussions with the Welsh Government on arrangements for managing bus concessionary passes from 1 January 2020

The Board discussed lessons that could be applied to other projects and reiterated the need for a formal lessons learnt report.

6 - Remuneration Committee Terms of Reference - Tammy Wilson

The Board approved the establishment and terms of reference for a Remuneration Committee. The Board also approved revised terms of reference for the People Committee.

7 - Life Assurance

The Board approved procuring life assurance cover as an employee benefit for permanent and fixed term employees based on four times the base salary, subject to:

- identifying whether staff in fixed term contractors can be covered as they are not eligible for a pension;
- checking TfW is not providing double life assurance cover for people with an existing pension;
- not providing cover for staff transferring with an existing scheme (unless or until they left that existing scheme); and
- not exceeding a premium above £50,000 for the first year.

The Board agreed that if the premium is more than £50,000 for the first year, a decision on whether to proceed or not would need to come back to the Board. It was agreed that a revised paper would be tabled at the People Committee meeting for approval on 1 October.

8 - Station Improvement Programme

The Board noted a paper update progress on the Station Improvement Plan.

9 - Voice of Customer dashboard - David O'Leary

The Board were presented with a draft dashboard which aims to provide insight into customer experience and satisfaction through a merit of saying x% of passengers are happy. The Customer Experience and Communications Committee will challenge the proposed methods. The Board noted the draft approach.

10 - Sustainable Development Plan

The Board received a presentation on the approach to delivering the Sustainable Development Plan and the five ways of working across TfW and the ODP and IDP.

It was confirmed that the Future Generations Commissioner has been engaged with the plan and is content but would welcome further feedback on how TfW will report against it.

The Board noted achievements to date and plans for monitoring and reporting and stressed the need to ensure plans are deliverable and affordable. It was confirmed that the Board will receive a reports in April 2020 and the Future Generations Commissioner in June 2020.

11 - Pontypridd accommodation

The Board were updated on progress made to sign an Agreement for Lease for the Pontypridd building. Some work is still required before the lease can be signed before the end of September such as further fit-out value engineering. The Board approved a recommendation to allow JP or HC to sign the lease when all approvals are in place. The Welsh Government will also sign the lease.

12 – Future Integrated Transport programme

The Board were updated on transferring functions from the Welsh Government to TfW. Ministerial Advice has been approved with bus likely to transfer in 2020 followed by roads in in 2021. An OGC Gateway will take place in week commencing 11 November 2019 to assess readiness.

13 - Any other business

Update on CVL Transfer Risks – the Board were updated on the CVL asset transfer project. TfW has received Ministerial approval for a deferral notice to be issued for the transfer to occur by 31 January which subject to further work with the Welsh Government will allow for a trigger date of 3 December. An IMLR has been set up but agreements are still needed on various issues such as OMR funding and Fright Operating Companies' access to the network.

The Chair thanked all for their attendance. The next meeting TfW Board is scheduled for 23 October.