Official-sensitive

Minutes of a meeting of the Board

held on Thursday, 5 May 2022

at Network Rail, 151 St Vincent Street, Glasgow, G2 5NW

Present	Sir Peter Hendy (Chair) Ismail Amla (via Teams) Mark Bayley Rob Brighouse Stephen Duckworth (via Teams) Andrew Haines	Michael Harrison Silla Maizey David Noyes Mike Putnam Fiona Ross Jeremy Westlake
In attendance	Louise Kavanagh, Chief of Staff Stuart Kelly, Group General Counsel & Company Secretary Roopa Deshmukh, Assistant Company Secretary (via Teams) Martin Frobisher (min 22/66) (via Teams) Nick Millington (min 22/66) (via Teams) Anit Chandarana (min 22/67) (via Teams) Tim Shoveller (min 22/68 and 22/73) (via Teams) Pauline Holroyd (min 22/68) (via Teams) Alex Hynes (min 22/69) Neil Holm (min 22/70) (via Teams) Farha Sheikh (DFT) (min 22/70) (via Teams) John Reid ((min 22/70) (via Teams) Verity Hinde (min 22/71) (via Teams) Dave Harding (min 22/71) (via Teams) Jake Kelly (min 22/71 and 22/72) (via Teams) Alison Smith (min 22/72) (via Teams) Darrell Hickey (min 22/73) (via Teams) Andy White (min 22/74) Surinder Bhardwaj (min 22/75) (via Teams) Eoin O'Neill (min 22/75) (via Teams) Sam Allsop (min 22/75) (via Teams) Philip Bennett (min 22/76) (via Teams) Toufic Machnouk (min 22/76) (via Teams) Clive Berrington (min 22/76) (via Teams)	
Apologies		

No.	Item	Actions
22/61	**<u>Chair's opening remarks</u>** The Board reflected on discussions from the previous evening's dinner with Scottish stakeholders, in particular the opportunities for enhanced collaboration through the renewed alliance structure. The Board asked management to consider if there were any learnings from the alliance transferrable to and from other regions, and opportunities for PR23 and GBR. The Board discussed Crossrail and the fact that the project report should provide a good opportunity for Network Rail to learn lessons from that project. [redacted]	

22/62	**Minutes of previous meeting** Subject to one correction the minutes of the Board meeting held on 24 March 2022 were approved.	
22/63	**Action list** The Board discussed the action list and noted that Action 22/46 (Train performance during named storms - a regular update from the regions) would remain open.	
22/64	**Directors' interests** Rob Brighouse advised the Board that he had been appointed as the Chair of the New Homes Quality Board.	
22/65	**Board report** The comprehensive Board report was reviewed, and the Board focussed its discussion on: 1. **Easter works** The delivery of Easter works had gone well. Given the apparent change in traveller habits the Secretary of State had commissioned an analysis and report on alternatives to undertaking disruptive works during holiday periods. 2. **Elizabeth Line** The central section (Paddington to Abbey Wood) of the Elizabeth Line would open on 24 May 2022. Network Rail's interface with this first part of the Elizabeth Line service would be with the trains entering and egressing the central section in the morning and evening. 3. **Thames Valley signalling centre (TVSC)** The TVSC had experienced pressures on signaller resources. Recruitment was under way to relieve these pressures; it was anticipated that signaller numbers would be much improved by the end of June. In the meantime, a strategic command was being maintained so that there was senior oversight of any emerging issues. 4. [redacted] 5. **Safety** The Board was briefed on an incident that occurred on Easter Sunday, on the approach to Peterborough Station. This involved a Lumo operated service that passed over points at speed. A small number of minor injuries to passengers had been reported. A RAIB investigation had been commenced. [redacted]	

	b) Chief Financial Officer Commentary The Board noted that: • the financial year was expected to close out with a positive position; • delivery of efficiencies remained on target for the year; • there had been proactive engagement with ORR to consider safety investment requirements for CP7; • [redacted] • the national scorecard outturn was 45.9%, down from the previous forecast of 47.4%; and • there had been two changes to the Regulatory Escalator this period, both related to the structures examinations. The position for Eastern had worsened from level 3 to a level 4 as a backlog had built during the pandemic when the assessors could not visit certain sites. All regions had a credible recovery plan. A detailed report on progress would be presented at the next Board meeting.	A Haines
22/66	**Trackworker Safety Task Force** *Martin Frobisher and Nick Millington joined the meeting*. The Board reviewed the significant progress that had been made in compliance with the improvement notices issued by the safety regulator in July 2019 in relation to trackworker safety. The key points considered by the Board were: • steps taken to sustain the gains in the regions and continuation of the work bank review; • the use of protection for line blockages and embedding plans for additional protection; • increasing the deployment of TCODs over the next 12 months; • the introduction of SATWaS to reduce the human forms of lookout warning even further; • piloting geofencing technology in the Southern region; • removal of the look-out competencies; • developing a verification regime and a benefits realisation plan with regions and routes; and • aligning line blockage planning with capacity. The Board was provided with an indication of the level of confidence that the actions taken and the investment made over the prior three years would culminate in the ORR notices being discharged. The Board remained encouraged by the progress that continued to be made. *Martin Frobisher and Nick Millington left the meeting.*	
22/67	[redacted]	

	[redacted]	[redacted]
22/68	[redacted]	[redacted]

	[redacted]	
22/69	**Regional Presentation - Scotland** *Alex Hynes joined the meeting.* The Board discussed paper 43/22, an update on Scottish region. A Hynes highlighted the key priorities for the region of: • safety & safety culture; • running a reliable railway; • focus on the costs of the industry; • net zero carbon emissions; and • the smooth transition of ScotRail. Safety Scotland's safety culture change programme was explained. The emphasis was on making safety a personal and local message. The RAIB Carmont recommendations for drainage, works, trains and the operation of Control were also discussed. The activity deployed to address each of the 20 recommendations was explained, including the review panel and the dedicated Scotland region resource who would oversee delivery. This would include the review of historic renewals and enhancement projects in the light of the RAIB findings. Train service performance Previous blanket speed restrictions in Scotland and their impact on passengers was discussed. Steps were being taken that would provide more insight and allow better localised mitigating steps to be taken. ScotRail The renewed alliance governance structure and reporting mechanisms were discussed. The ambition was to provide an increasingly joined-up railway business; and the new structures and reporting would facilitate this. Further integration opportunities were being considered. [redacted] Culture change The region had adopted a straightforward people strategy. This was outlined in the paper. It was the belief that the interventions were having a positive impact on the culture but that much remained to be done. The Scotland region's engagement scores were the highest of any Network Rail region. Its rail academy approach was seen as a positive shift with an opportunity to explore emulating this at other levels in the industry. An example of the Scotland management *scorecard* would be shared with the Board. The region consciously invests heavily in communication so that the positive stories are promulgated and shared. Negativity and pessimism were able to be countered to some degree through this style of continuous communication. Net zero emissions The Board was briefed on the recent progress on the electrification in Fife which was reducing the cost of electrification down to a rate of £1.8m per single track kilometre.	A Hynes

	Overall, Scotland's electrification programme had seen a material reduction in the cost of electrification since CP5. The region continued to challenge electrification costs to realise further efficiencies. The importance of sharing the learning across the country was reiterated. *Alex Hynes left the meeting.*	
22/70	**<u>TransPennine Route Upgrade – Quarterly update</u>** *Neil Holm, John Reid and Farha Sheikh joined the meeting.* Paper 44/22 was an update to the Board on the TransPennine Route Upgrade programme. A formal remittance of the balance from the 2021 approval was expected in May and would be sufficient to cover expenditure for the financial year. The Board: 1. noted that in the context of TRU, extensive analysis of the IRP had been carried out to ensure that the interventions were appropriate; 2. for ETCS noted current market engagement had been discontinued in favour of the forthcoming CP7-CP8 national signalling framework; 3. sought and received reassurances around design maturity which had been identified as a key challenge; 4. discussed the whole system requirements including rolling stock and its alignment to the infrastructure; 5. asked that future updates include a risk register and an indication of confidence for each of the risk mitigation measures; and 6. noted that the recruitment for an independent TRU programme board chair had been successfully concluded and that Mike Putnam had agreed to join the Board. *Neil Holm, John Reid and Farha Sheikh left the meeting.*	
22/71	[redacted]	

	[redacted]	
22/72	**Accessible Travel Policy** *Alison Smith joined the meeting.* The Board reviewed paper 46/22 which provided an overview of Network Rail's Accessible Travel policy. This had been developed in response to the new standards set by the ORR. It was noted that this work would eventually transition to GBRTT together with a National Rail Accessibility Strategy which was being developed in parallel (which will align with the WISP and other government strategies). The Board welcomed the importance of a focus on accessibility. The Board was advised that the remit of the long-term capacity planning team would be extended to include accessibility. The Board discussed the accessibility priorities for 2022/23 and the measures being taken to shift the culture and engagement with customers who had disabilities. The Board sought reassurance that the investments made were contributing to a more accessible end to end journey for passengers. It was noted that the process for the selection of schemes needed reform to help develop a coherent investment strategy. Furthermore, measurement of the passenger assistance programme was needed to drive the initiatives. The Board agreed that identifying expenditure as OMR rather than as an enhancement could help prioritise the right passenger centric schemes. The Board noted that although Network Rail provided advice on infrastructure interventions, decisions were ultimately a matter for the DfT and Secretary of State. The Board offered suggestions to the team based on their experiences in other industries. It was agreed that the long-term strategy would be presented to the Board in six months' time. This would include visibility of the low-cost schemes. *Jake Kelly and Alison Smith left the meeting.*	Jake Kelly
22/73	**Customer Experience programme** Andy White and Caroline Murdoch joined the meeting Paper 47/22 provided an overview on the progress and plans of the customer service programme, including key highlights, current challenges, and impact to date. The Board commended the progress made and noted that regions were at a different level of maturity. The Board considered that linking business performance to the service academy was key and supported the use of a common language as a thread that would contribute to binding the many initiatives. The challenge in the context of a wider industry level roll out was acknowledged. The Board **ENDORSED** the approach and the need to work closely with the GBRTT on a joint and aligned plan.	

22/74	**North West & Central (NW&C) CP7 Procurement Strategy** *Tim Shoveller, Darrell Hickey, Surinder Bhardwaj, Eoin O'Neill and Sam Allsop joined the meeting.* The Board discussed paper 48/22 which outlined North West and Central (NW&C) region's proposed CP7 procurement strategy and replacement frameworks. The aim of the procurement strategy was to bring together legacy delivery channels under one coherent NW&C Supply Chain strategy. It was proposed that this would be achieved by establishing an 'internal enterprise' approach encompassing three core elements: operating model; systems approach; and end to end process improvement. The Board noted that regions had each adopted different approaches to their CP7 sourcing strategies. It discussed suppliers' responses to those different approaches, and how lessons learned were being shared amongst the regions. The Board: • **APPROVED** the strategy to deliver the CP7 works within the scope of the paper; • **APPROVED** the recommendation to extend the current frameworks for a period of 1 year to March 2024; and, • **DELEGATED** authority to the NW&C Procurement Executive Panel to approve any sourcing strategies and any awards pursuant to this CP7 strategy or the extension of the current frameworks . *Tim Shoveller, Darrell Hickey, Surinder Bhardwaj, Eoin O'Neill and Sam Allsop left the meeting.*	
22/75	**Train Control Systems Commercial Strategy** *Clive Berrington, Philip Bennett and Toufic Machnouk joined the meeting.* Paper 49/22 sought approval from the Board for the train control system commercial strategy. [redacted] The Board would be provided with an update at regular intervals with further insight into the cost drivers and a roadmap with milestones. The Board **APPROVED** the commercial strategy as set out in the paper and **DELEGATED** approval of the subsequent award to the Route Services C&P Procurement Executive Panel. *Clive Berrington, Philip Bennett and Toufic Machnouk left the meeting.*	Clive Berrington
22/76	**Committee updates** The Board was updated on recent meetings of the:	

	• 20 April – Audit and Risk Committee (ARC) Group Assurance Letter Process • 4 May – Property Supervisory Committee	
22/77	**Company Secretary's report** Having reviewed paper 51/22 the Board: 1. **RATIFIED** the use of the Company seal. 2. **NOTED** Robin Dobson's appointment as the Group Property Director. 3. **RATIFIED** Robin Dobson's appointment as a director and authorised signatory of the companies listed in section 2 in the paper.	
22/78	**Prosecution report** The Board noted the Prosecution Report (paper 52/22).	
22/79	**Delegated Authority** The Board noted the delegated authority report (paper 53/22)	
22/80	**Board agenda planning** It was noted that arrangements had been progressed for the Board's Strategy Day to be held on 11 May 2022.	
22/81	**Any other business** There was none.	
Date of next meetings: • Board Strategy Day – 11 May 2022 • Board meeting – 30 June 2022		
…………………………………….. Chair		