MINUTES

The chairman advised that Mark Carne (Network Rail) sent his apologies. He also asked the directors to join him in congratulating both Charles Horton (CH) and Steve Murphy (SM) on their new appointments.

The directors noted that paper A4 Annual Workforce Risk Update would be taken before paper A3 Station Safety.

RSSB.14/35  A1 ANNUAL SAFETY PERFORMANCE REPORT (ASPR) 2013/14

Colin Dennis (CD) taking the circulated paper as read reminded the directors of the purpose of the ASPR which is to

- Present the railways safety trends across a number of topic areas and
- to report on progress against CP04 Objectives.

He asked the directors to note that the Data and Risk Strategy Group (DRSG) which is a sub-group of SSRG had been set up to evolve the systems and information produced by RSSB over the CP05 period. As a result this would be the last time that the detailed and precise information in the ASPR would be presented in this format. He stated that he would welcome feedback on this way the information could be presented in the future.

He went on to give a presentation on the headlines of the ASPR for 2013/14 which included:

- a 6% increase in passenger journeys and 3% increase in passenger kilometres
- 2013/14 being the seventh consecutive year where there were no passenger or workforce fatalities in train accidents – the 10 year moving average for these train accidents is at its lowest ever level
- a reduction in FWIs for passenger safety from 47.4 to 43.1
• overall workforce FWIs increased by 10% with infrastructure workers seeing the biggest increase
• an improvement in the normalised number of potentially higher – risk train accidents in the period
• no passenger train derailments – this is the first year since recording began where this was the case
• an observed reduction of 33% in the normalised level of arm at level crossings
• highest recorded figure for fatalities to the public from trespass and suicides
• the overall total level of harm for 2013/14 reduced in comparison to that recorded for 2012/13 primarily due to a fall in the number of accidental fatalities to members of the public.

CD also drew the directors’ attention to the achievement of CP04 objectives including targets and trajectories set by Europe and the DfT.

The directors briefly discussed the BBC media coverage of the published ASPR statistics. The article content was broadly positive despite a headline that drew attention to increased suicide. The requirement to be sensitive to unhelpful coverage on this topic was noted.

Over all it was agreed that CP04 had seen positive achievement in terms of safety performance but that the industry must remain vigilant against complacency.

The directors discussed the function and scope of the ASPR - specifically noting the following:
• the A6 booklet was more user friendly than the large A4 250+ pages version
• some knowledge is required to interpret the information in the A6 booklet
• whether there might be a more positive story the document could tell rather than just setting out the statistics – perhaps information on what is being done to improve them further
• whether the comparison with EU countries was on a ‘like for like’ basis

The discussion concluded with directors noting that the SSRG had been asked to input to the development of the ASPR next year.

RSSB.14/36 A2 HOW WE LEARN FROM OPERATIONAL EXPERIENCE

The circulated paper which informed the board about the range of learning from operational experience (LOE) activities RSSB currently provides to support its members in their obligations under ROGS to learn from accidents and incidents, specifically international accidents, was taken as read.

CD set out the principles behind how the industry learns from operational experience and what the inputs to the process are along with the deliverables from it.
The directors discussed the need to take time to understand the international trends in risk and how they are managed.

It was suggested that it might be appropriate to include a digest of things learned from international experience from an operational point of view on the agenda of the upcoming Operation Risk Forum. The directors supported the idea.

The directors were of the view that it was important to understand enough ‘early on’ after an accident/incident so that it was clear what level of risk was being carried which would allow for mitigation factors to be put in place quickly. RSSB, they felt was best placed to gather this early learning. It was suggested that road driving incidents was an area that could be looked at in other industries and countries and the output from this communicated to all members in an appropriate way.

The directors thanked CD for his presentation.

**RSSB.14/37  A4 ANNUAL WORKFORCE RISK UPDATE**

John Abbott gave a brief overview of the circulated paper which included a copy of the 2013/14 workforce safety risk paper as discussed at SSRG on 4 June 2014. He reminded the directors that they had requested sight of this paper now that the review and consideration of the topic was undertaken by SSRG. PK confirmed that it was important that the directors had visibility of this.

The paper illustrated how the work on defining system safety was progressing and the principles behind the work in relation to the duty of cooperation. The paper used workforce safety to illustrate how SSRG examines the elements of risk, how the industry is tackling the issues and where it is review by cross-industry groups.

The directors considered this and recognised the need to clarify generally SSRG/RSSB roles and responsibilities. It was not clear whether SSRG and its subgroups were an information co-ordination body which primarily reviewed past performance or whether they should be causing industry to consider those areas of key risk that arose from their review including reporting on initiatives already in place addressing these risks.

CF advised that the first three papers on the agenda were a snapshot of all the evidence RSSB is gathering and collating on all types of risk and potential learning from it and was intended to provide the directors with an opportunity to consider what it wanted from SSRG.

The directors suggested that getting SSRG to up the pace on predictive risk modelling and horizon scanning could be considered. CF and JA are meeting with Andy Cooper in the near future to discuss this.

**RSSB.14/38  A3 STATION SAFETY**

The circulated paper which informed the directors about the scale and nature of total safety risk at railway stations to complement the Platform – Train Interface (PTI) Strategy Group and invited the directors to provide leadership input to the System Safety Risk Group in relation to its plans to
address the wider aspects of railway station risk management was taken as read.

JA gave a short presentation setting out the current activities of the Platform Train interface Strategy Group (PTISG) alerting the directors to a number of workshops to be held over the coming months to support the development of the PTI Strategy. An update would come to the September board meeting for review and comment. The chief executive advised that the strategy development programme would be accelerated thereafter, with a draft presented to the November board and the final strategy delivered to the January board meeting for approval – this is ahead of the previously agreed schedule.

JA advised of the establishment of The People on Trains and at Stations Risk Group (PTSRG) and outlined the portion of risk profile that it will review. The directors discussed low frequency high consequence events and the need for this group to review these in some detail as there is potential vulnerability for the industry in this area.

**RSSB.14/39 A5 COMMERCIAL STRATEGY PRINCIPLES**

AJ advised that the circulated paper set out 11 draft principles for the development of a commercial strategy for RSSB. It is intended that a strategy developed around these principles would come back to the directors for review early next year (Jan 2015).

During discussion the following issues were raised:

- RSSB should develop a membership strategy alongside the commercial strategy
- in developing these strategies RSSB should not lose sight of its purpose
- RSSB should be clear in any strategy, exactly what falls inside the cost of membership and what did not – it was suggested that not all members would have the same understanding if asked.
- RSSB to be aware that there could be significant ‘kick back’ from members if what was previously provided to members as part of membership now had to be procured separately.

RG said that RSSB was a great ‘brand’ and as such it was a great ‘door opener’ for other UK based companies, in Europe.

The directors endorsed the draft commercial principles on which the strategy would be developed.

**RSSB.14/40 B1 CHIEF EXECUTIVE’S REPORT**

The chief executive drew directors’ attention to the key safety headlines in the last period including a SPAD risk ranked at 20+ (potentially severe) and three workforce fatalities as a result of a single serious RTC in early June. This was the worst workforce loss of life in a single fatality since Tebay in 2004. The recent fatality of a cleaner at a Southeastern depot was also raised.
He asked the directors to note a number of membership and stakeholder issues including
- A visit to RSSB by a representation from Poland
- A visit from Abu Dhabi which could result in an MOU to share experience in the development of institutional arrangements for safety.

It was acknowledged that work on the Digital Railway would need to be co-ordinated with other activities to ensure no overlapping or duplication within the space.

In terms of finance, the directors noted that the company was on budget at the end of period 3. This led to a discussion on the recent extracurricular paper circulated to directors on RSSB’s need to relocate following confirmation from the Landlord that they would not be renewing the leases on Angel Square next year.

This move was not planned (pre-emptive work was undertaken once it started to become difficult to conclude terms in the draft leases) and no provision was made in the budget.

The opportunity is being taken to adopt more agile working practices that would require less space - which would compensate for an inevitable increase in the cost of rent per square foot that we will encounter.

The timescale is very tight, but manageable. The distraction to the day job will be kept to a minimum where possible. There will be an update at the September board meeting.

The IT Strategy review has completed. The review will be circulated to the Audit Committee for consideration. Other appointments/recruitment activities are also under way.

The chief executive asked the directors to note the remainder of the report including information on international accidents and incidents.

**Post meeting note: CD confirmed that the fatality that occurred on 24th may at West Marina Depot, operated by Southeastern should have been included in the report to the board.**

**RSSB.14/41 B2 STATUTORY ACCOUNTS AND AUDITORS REPORT**

The directors considered the circulated Group Financial Statements for year ended 31 March 2914 and the associated Auditors Report.

They noted that these had been reviewed and approved by the Audit Committee subject to a few minor amendments. Paul Kirk, Chairman of the Audit Committee confirmed that all issues raised had been addressed. The directors noted that the auditors were happy for RSSB to adopt a going concern basis and confirmed the company was a going concern for reporting purposes.

CF clarified the position on the company’s strong cash position explaining that much of the money is already committed. Robin Groth advised that as
the accounts were published this clarity should be documented in the accounts. CF also explained that the 10% increase in payroll was primarily due to the increase in head count over the year.

The directors were content for the Statutory Account and the accompanying Letter of Representation to be signed by the chief executive.

**RSSB.14/42 B3 TECHNICAL STRATEGY LEADERSHIP GROUP/INNOVATION**

The paper which summarised the RSSB accountabilities for the management of innovation funding in Control Period 05 including the role of the RSSB board was taken as read.

After a brief discussion on the funding governance as set out in the paper and the associated RACI, the directors asked that in order to give themselves comfort that they were as informed as they should be on this issue that they received the regular update report on activities that goes to TSLG and DfT (and soon Network Rail). AJ confirmed that this would be set up.

In conclusion the directors noted the arrangements established by RSSB for the management of innovation funding and that it is TSLGs intention to simplify these arrangements for CP06 including making the case for funding which spans control periods in recognition of the long term nature of the Rail Technical Strategy.

**RSSB.14/43 C1 CIRAS ANNUAL STEWARDSHIP REPORT AND APPROVAL OF CHAIRMAN**

The circulated paper which comprised the stewardship report from the CIRAS Committee and a request for approval for the reappointment of David Morris as CIRAS chair for a second term, was taken as read.

GL queried how the statistics on annual report figures in annex A to the paper compared with last years – John Abbott (JA) confirmed that they were almost the same.

The directors noted the report and approved the reappointment of David Morris as the independent chair of CIRAS for a second term.

**RSSB.14/44 D1 GOVERNANCE**

a) *Draft minutes 8 May 2014 meeting.*

The circulated draft minutes of the board meeting held on 8 May 2014 were approved for signature by the chairman.

b) *Matters arising*

All actions were reviewed and it was noted that all were either done or in hand.
c) RSSB Board Dates

The directors reviewed and approved the proposed dates for the RSSB board and sub-committee meetings for 2014/15.

d) Feedback from Audit Committee

PK, the Audit Committee (AC) Chairman, confirmed that the AC at their last meeting, had reviewed the draft accounts and auditors report and were content that all amendments had been addressed as reported earlier in the meeting. They supported the signing of the Group Account and Letter of Representation.

e) Feedback from Remuneration Committee

AE, the Remuneration Committee (RC) Chairman, confirmed that the RC, at their meeting earlier in the day, had agreed to put the subject of uniformity of pay/bonus awards and application of London Allowance (as part of a bigger exercise to review terms and conditions in the round) back on the action list. It was understood that the relocation would drive the timescales to undertake this review and that it was likely it would deliver in March 2015.

2014/15 Personal Objectives for the Executive Management Team and other relevant senior managers

As previously agreed by the board to a move to outcome rather than task based objectives and a 60 company/40 personal split for performance review purposes the committee resolved to endorse the 5 individual personal objectives for the executive management team for 2014/15 as presented, subject to an interim review on their status in November. AE then recommended this to the board.

The directors resolved to approve this recommendation from the Remuneration Committee.

2014/15 Personal Objectives for the Chief Executive

The 2014/15 personal objectives for the Chief Executive were also presented to the committee. These objectives were endorsed as presented (with an interim report on status in November). AE then recommended this to the board.

The directors resolved to approve this recommendation from the Remuneration Committee.

Non-industry non-executive director recruitment

The Chairman was concerned that it could be difficult to attract the right calibre of candidates for the (NINEDs) roles without remuneration information. EF advised that a remuneration benchmark report had been generated by Towers Watson which required review. It was agreed that the RC would see the report and discuss it.
f) *Forward Agenda*

The directors noted the forward agenda and were content that it come to each board meeting for noting.

**RSSB.14/45 ** AOB

There being no further items, the chairman concluded the meeting.

Date of next meeting: **Thursday 04 September 2014 at 15:00hrs**, to be held at Block 2, Angel Square.

Signed………………………………….. Date……………

**Chairman**