

Rail Delivery Group

Summary of Proceedings 14 January 2013

Present

Tim O'Toole (Chairman) (First Group)
David Higgins (Network Rail)
David Brown (GoVia)
Dominic Booth (Abellio)
Andrew Chivers (National Express)
Tony Collins (Virgin Trains)
Martin Griffiths (Stagecoach)
Bob Holland (Arriva)
Peter Maybury (Freightliner)
Paul Plummer (Network Rail)
Doug Sutherland (Directly Operated Railways)
Alain Thauvette (DB Schenker Rail)
Graham Smith (Secretary)
Michael Roberts (ATOC)

In attendance:

Richard Brown and Pete Wilkinson

Franchising

Richard Brown presented a summary of his independent review of franchising.

RDG agreed that the Group should undertake a concerted and co-ordinated approach on franchising in response to the challenges posed by the Brown report.

Rolling Stock

RDG asked to see the detailed presentation on Rolling Stock that would be presented to Ministers later in January.

National Task Force

RDG noted that NTF had delegated detailed issues on performance to practitioner groups led by Operations Directors leaving NTF to focus on strategic and long-term performance issues.

RDG agreed that it needed to understand what was happening on significant performance issues and asked that lessons from key issues should be distilled and briefed to RDG.

RDG Members felt that RDG needed to engage in the debate on the purpose and usefulness of the publication of 'right-time' performance data. There also needed to be a debate about the trade-offs between PPM and capacity. RDG noted that both issues related to discussion about the flexibility of franchise specification.

RDG discussed the relationship between performance strategy and risk and whether the ORR's position on asset conditions affected performance. Network Rail's approach to managing performance and operational risk on structures and earthworks was explained. It highlighted where extreme weather events were affecting, in particular, earthworks requiring Network Rail to prioritise remedial action. RDG Members suggested that NTF should be asked to consider how its members could help in monitoring and mitigating these risks.

Industry Planning Working Group

The Strategic Business Plans and Industry Strategic Business Plans had been well received and the DfT and ORR were concentrating on understanding the content. The focus was on assessing efficiency opportunities including the need to identify which RDG efficiencies were incorporated in the plans and which could lead to further efficiency gains. Specific work was needed on early stage major projects, which should provide a significant opportunity for efficiency when defining detailed outputs and scope.

RDG agreed that it should engage further on the Strategic Business Plans but there was a need to understand better the relationship between the Strategic Plans, the Statement of Funds Available, the Command Paper expectations and the Rail Value for Money recommendations. The information would also help RDG to build up a quantification of RDG driven efficiencies.

As a result RDG would be better informed about the information supporting the publication by the ORR in February of further industry cost data. The RDG would give further consideration as to how it co-ordinated its response to the various initiatives being pursued by the ORR.

RDG Members agreed to identify issues on which the RDG should focus in 2013, noting that the Brown Report and the Select Committee had both suggested activities for the Group. Proposals would be summarised for consideration at the February meeting.

Formalisation of RDG

Rail Delivery Group endorsed the finalised Articles of Association for Rail Delivery Group Limited and agreed that they should be posted on the RDG website. RDG agreed that the ORR should be advised that the Articles of Association had been endorsed and that the RDG licence amendments should be implemented.

The Group agreed that the announcement of the appointment of the Director-General (having regard for other announcements) should be made on or before the formalisation of RDG, which was anticipated to be at the February meeting.

Contractual and Regulatory Reform (C&RR) Working Group

RDG agreed that the work of the CR&R group needed to be connected to RDG's anticipated work on responding to ORR issues and to the further work to be undertaken on franchising.

RDG Members noted that Schedule 4 and Schedule 8 rates were likely to increase significantly in CP5 and asked that a briefing note on the subject be prepared.

RSSB

Rail Delivery Group considered the proposal to create formal governance arrangements for the Rail Industry Supplier Qualification Scheme (RISQS) under the board of the RSSB and agreed that formal governance arrangements should be put in place Asset, Programme and Supply Chain Management (APSCM) working group

RDG agreed that the scoping, design and implementation of major projects was a likely source of industry efficiency. Initial engagement with the DfT had begun. The importance of converting the various pilot exercises being undertaken by the APSCM workstreams into actual implementation was agreed. This would be an issue for the next APSCM working group meeting.

Technology, Innovation and Working Practices Working Group

RDG discussed whether the work on Cross-Industry Groups (CIGS) could be incorporated into potentially wider consideration of industry structure and overhead costs. RDG agreed that the sponsors of the various CIG reviews should be asked to report back on their findings.

British Transport Police

RDG considered the discussions with the British Transport Police Authority (BTPA) and the DfT on Police Service Agreements (PSAs) and charging for policing services. RDG agreed to facilitate a meeting between operators, BTPA and DfT so that a resolution to the points of concern is reached and to press the BTPA and DfT to facilitate changes to the PSA that support industry cost reduction and improvements in value for money.

Technical Strategy Leadership Group

RDG noted the update and confirmed its wish to influence the future work programme of TSLG. RDG was keen to see specific outputs from TSLG. RDG agreed that the coordination of industry information technology developments should be considered as a potential RDG activity for 2013.

Rail 2020

RDG noted the recommendations of the Transport Select Committee and agreed they should be included in the potential activity list for 2013