

Rail Delivery Group

Summary of Proceedings 8 June 2011

Present

Tim O'Toole (Chairman) (First Group)
David Higgins (vice-Chairman) (Network Rail)
David Brown (Go-Ahead)
Tony Collins (Virgin)
Dean Finch (National Express)
Martin Griffiths (Stagecoach)
Elaine Holt (Directly Operated Railways)
Charles Horton (Go-Ahead)
David Martin (Arriva)
Peter Maybury (Freightliner)
Paul Plummer (Network Rail)
Alain Thauvette (DB Schenker Rail (UK))
Anton Valk (Abellio / Serco)
Graham Smith (Secretary)
Sir Roy McNulty

Appointments

RDG agreed that Tim O'Toole should be the Chairman of the Group, that David Higgins should be the vice-Chairman and that Graham Smith should be the Secretary of the Group.

Resources and Budgeting

RDG agreed that the funding of the Group should be allocated 50% to Network Rail and 50% to ATOC. At this stage funding requirements would be limited. The Group would draw resources on a topic or issue specific basis from the RDG member companies, Network Rail, ATOC and other industry organisations.

Terms of Reference

RDG agreed that, at this stage, the Group should be constituted as a voluntary, unincorporated partnership. As the role and activities of the RDG developed its status could be reviewed if this was seen as necessary. The Terms of Reference of the Group are attached to this summary at Appendix A.

Membership of the Rail Delivery Group

The membership of the Rail Delivery Group was confirmed as reflected in the Terms of Reference. It was agreed that Michael Roberts, Chief Executive of ATOC, should be invited to attend future meetings as an observer given the need to draw on ATOC resources and information on particular issues.

Communication With Industry and Stakeholders

RDG recognised the importance of communication with the rest of the industry and other stakeholders. It was felt that different levels and frequency of communication would be needed depending on the issues and role of other organisations.

RDG agreed that the Chairman and the vice-Chairman should meet the ORR at a very early stage and that a meeting with the Secretary of State should be arranged after the July meeting of RDG.

RDG asked for a communication plan to be prepared incorporating each of the organisations with which RDG would interact. This would be considered at the July meeting. The plans would take into account the need for all members of RDG to share the communications workload.

RDG agreed that a summary of the proceedings of each meeting should be placed on the RDG website. Graham Smith would handle basic media enquiries.

Initial Industry Plan

RDG received a presentation on the process relating to the Initial Industry Plan (IIP) and its role informing the High Level Output Specification. RDG recognised the importance of the IIP incorporating an industry view of efficiency and the need to reflect choices on investment. Ownership of the IIP by RDG was important to reinforce the credibility of the plan and to emphasise its whole-industry nature.

RDG agreed that the IIP should include a section on the RDG's priorities with a focus on the efficiencies that can be achieved by industry parties working together. There should be particular emphasis on dependencies especially where others, such as government or ORR, need to agree to changes to enable the industry to obtain efficiency opportunities.

RDG asked for a briefing on the content of the IIP to be available for the July meeting.

Rail Systems Agency

RDG reviewed the proposal contained in the Rail Value for Money Study for the creation of a Rail Systems Agency. The Group agreed that that this initiative needed to fit within the priorities that RDG needed to set for itself.

RDG decided that a working group should look at the issues involved with the creation of a Rail Systems Agency paper and asked that the working group report back to the September meeting with its findings with updates provided at the July and August meetings.

The membership of the working group would be:

Tony Collins (Virgin)
Bob Holland (Arriva)
Nigel Jones (DB Schenker)
Steve Yianni (Network Rail)
Len Porter (RSSB)
David Clarke (DfT)
Graham Smith (RDG)

Forward Agenda

RDG considered the recommendations made by the Rail Value for Money Study including those that had been specifically identified as the responsibility of the Group.

RDG decided that it needed a forward agenda that prioritised the issues that the Group would tackle. The underlying rule for prioritisation would be the value of the realisable efficiencies although the Group recognised the benefit of achieving quick wins.

RDG asked for a briefing to be prepared for the July meeting.

Next Meetings

RDG agreed to meet every month.

Appendix A

Terms of Reference of the Rail Delivery Group

1. RDG will focus on industry-wide issues in the context of the need for improved service to rail users and value for money to the taxpayer. RDG will not duplicate or over-ride the primary accountability for delivery in the UK rail industry (which remains with the passenger and freight train operators and Network Rail) or the need for much stronger collaboration between these companies at a local level.
2. RDG will co-ordinate the objectives for key cross-industry groups including National Task Force (NTF), Planning Oversight Group (POG) and Technical Strategy Leadership Group (TSLG).
3. RDG will conduct a review of the recommendations made by Sir Roy McNulty in relation to the potential establishment of a Systems Agency and a National Safety Task Force, including transition arrangements and potential changes to RSSB.
4. RDG will conduct a review of all other cross-industry groups to improve their efficiency and effectiveness.
5. A key initial priority for RDG will be to review with an intent to sponsor cross-industry work by POG in preparation for the Initial Industry Plan (IIP) which is due to be published in September 2011 including the scope for improvements in Value for Money and overall industry costs.
6. RDG members will be representatives from the owning groups of the passenger and freight train operators and Network Rail.
7. RDG attendees will be nominated Chief Executives or Board Directors from each of these groups – alternates will not be accepted without prior agreement of the members. The Association of Train Operating Companies (ATOC) will attend the meetings but will not be a member of the Group
8. Support for RDG would be provided by the members and by the cross industry groups which RDG steers. The Association of Train Operating Companies (ATOC), the Rail Freight Operators' Association (RFOA) and the Railway Industry Association (RIA) would also provide support to the cross-industry groups and provide input to RDG as appropriate.

9. The Chairmanship and vice-Chairmanship of RDG will be from the group's membership and would rotate on an annual basis. The initial Chairman of the Group will be Tim O'Toole and the initial vice-Chairman will be David Higgins. The role of the Chairman will be to chair meetings of the group, establish its agenda and represent the views of the group as appropriate. The role of the vice-Chairman will be to deputise for the Chairman when necessary and to represent the views of the group as appropriate.

10. A part time Secretary will be appointed potentially on secondment from one of the industry members. The initial Secretary will be Graham Smith. The role of the Secretary will be to coordinate support required by the group and transmit its views to cross-industry groups about their objectives and priorities making use of resources from member organisations as appropriate.

11. Government and ORR will not be members of RDG but they will be invited to provide input to the group on key issues as appropriate and representatives from RDG will engage periodically with Ministers on key cross-industry issues or on progress with industry reform.

12. To provide continuity with the Rail VfM Study, Sir Roy McNulty will be invited to attend RDG meetings for up to a year.

13. It is recognised that suppliers to those with a primary accountability for delivery and trade unions have a critical role to play and RDG will consider further how their input can be formalised.

14. RDG will meet every two months (but monthly until the end of 2011).

15. RDG will hold an annual industry seminar on the vision for the industry including progress with reform to improve value for money.

Membership

Abellio - Anton Valk; Dominic Booth (alternate)
Arriva - David Martin; Bob Holland (alternate)
D B Schenker - Alain Thauvette; Nigel Jones (alternate)
Directly Operated Railways - Elaine Holt
First Group - Tim O'Toole; Dave Gausby (alternate)
Freightliner - Peter Maybury; Lindsay Durham (alternate)
Go-Ahead - David Brown; Charles Horton (alternate)
National Express - Dean Finch; Andrew Chivers (alternate)
Network Rail - David Higgins; Paul Plummer
Stagecoach - Martin Griffiths; Brian Souter (alternate)
Virgin - Tony Collins; Patrick McCall (alternate)

Secretary – Graham Smith

In attendance
ATOC - Michael Roberts