

Rail Delivery Group

Summary of Proceedings 18 February 2013

Present

Tim O'Toole (Chairman) (First Group)
David Higgins (Deputy Chairman) (Network Rail)
David Brown (Govia)
Jonathan Brown (Serco)
Dominic Booth (Abellio)
Andrew Chivers (National Express)
Martin Griffiths (Stagecoach)
Bob Holland (Arriva)
Peter Maybury (Freightliner)
Paul Plummer (Network Rail)
Doug Sutherland (Directly Operated Railways)
Alain Thauvette (DB Schenker (UK))
Graham Smith (Director-General)
Michael Roberts (ATOC)

Formalisation of Rail Delivery Group Limited

The formalisation of Rail Delivery Group Limited was confirmed. The Members, Directors and Alternates were appointed.

Tim O'Toole was elected as Chairman of Rail Delivery Group Limited

David Higgins was elected as Deputy Chairman of Rail Delivery Group Limited

Graham Smith was appointed as Director-General of Rail Delivery Group Limited

Feedback From RDG Meetings

RDG had met the Secretary of State and briefed him on a range of issues including the formalisation of the Group.

RDG had appeared before the Select Committee Inquiry into the Richard Brown report on franchising.

RDG had met the DfT's Director-General, Rail to discuss the RDG's various initiatives. The DfT was keen to work with the RDG on franchising and the Department's other priorities.

RDG's Activities in 2013

The Group considered the activities it should undertake in 2013, which reflected suggestions made by RDG Members and external bodies. There had been considerable support for RDG being the leadership body for the industry that focused on the development of industry strategy. A number of Members had stated the importance of RDG taking responsibility for safety leadership. The importance of adequate resourcing was emphasised. Whilst detailed work could be undertaken by a combination of RDG Members' staff, people engaged by the RDG and external support the key resource was RDG Members / Alternates who had to lead the work of the Group.

The points made during an initial discussion on the principles underpinning the proposals included:

- Ownership of issues by RDG was critical. If RDG owned an issue it could encourage progress. By taking responsibility RDG should be able to remove blockages to progress;
- RDG should take a whole system view and be able to state what Government is buying. An understanding of the financial health and affordability of the industry was essential;
- It should be the RDG that makes the forecasts and establishes demand;;
- RDG should take responsibility for leadership on safety, health and environment and in so doing give strategic guidance to the bodies that were supporting RDG in these areas; and
- There should be clarity about the interfaces between industry parties.

The Group discussed issues on industry structure. Among the points made were:

- It is for the industry to decide how it should be run and structured. Clarity on leadership and accountability would drive out costs;
- The industry must aspire to a more coherent management structure'
- There was an urgent need to reduce the industry's costs especially in the area of asset management; and
- RDG had to tackle the development and implementation of innovative technology.

After further discussion the Rail Delivery Group agreed its work programme for 2013:

1. The Asset, Programme and Supply Chain Management working group, chaired by Tim O'Toole would continue but should include the identification of value for money in rolling stock, which would be led by Bob Holland.
2. A Technology and Operations working group would be created, jointly chaired by David Brown and Richard Parry-Jones. This group would take responsibility for issues such as guiding TSLG, smart ticketing and information & communications technology. It would also provide the link between the RDG and the National Task Force.
3. A Commercial working group would be created, chaired by Martin Griffiths, which would include the franchising working group and would continue the working practices initiatives as well as commercially related matters such as retail.
4. A Safety, Health and Environment working group would be formed, chaired by David Higgins

5. A Freight working group would be formed with the chairmanship to be determined.

6. A working group focused on Industry Structure and Strategy would undertake initial work on producing a picture of the industry, its finances and its interrelationships. This would be discussed at a special RDG meeting.

Response to the RSSB Strategic Review Consultation

RDG endorsed the proposed response by the Group to the RSSB's strategic review.

Technical Strategy Leadership Group

The Group noted the paper and agreed that the formation of the Technology and Operations working group would improve the focus on this area.

Rolling Stock

Rail Delivery Group noted the Rolling Stock Strategy produced by ATOC, Network Rail and the ROSCOs. RDG reinforced the importance of obtaining value for money in the maintenance, leasing and procurement of rolling stock.

National Task Force

RDG noted the paper from National Task Force and reiterated its wish to be kept informed of NTF's activities. The Group specifically asked that NTF should highlight those issues where RDG could unblock intractable cross-industry issues.

RDG Members agreed that they would discuss the work of the NTF with their individual NTF representatives.

Industry Planning Working Group (POG)

The trends in anticipated industry savings starting with the Rail Value for Money Study and progressing through the Command Paper, Initial Industry Plan, Statement of Funds Available and the Industry Strategic Business Plan were reviewed.

Trade-Offs and Change Control

The Group noted the work being undertaken on the trade-offs between capacity, performance and the other outputs expected of the industry.

Technology, Innovation and Working Practices Working Group

Work was continuing on the impact of new technology on communications, retail and training.

Performance Regimes

RDG noted the briefing paper on the anticipated increase in Schedule 4 and Schedule 8 rates.

Asset, Programme and Supply-Chain Management (APSCM)

There was a need to better understand the extent to which the APSCM savings were incorporated in Network Rail's Strategic Business Plan. An initial paper had been produced, which described this on a route by route basis

The importance of the joint case study was emphasised. This would draw together the principles of each of the APSCM work streams