

WEST SOMERSET RAILWAY
PARTNERSHIP DEVELOPMENT GROUP (PDG)

Minutes of a meeting of the PDG held on-line via Zoom software
from 3.30pm on Wednesday 23 September 2020

Present: Steve Williams, West Somerset Steam Railway Trust (Chair)
Justin Kerr-Peterson, West Somerset Railway Plc
Mike Sherwood, West Somerset Railway Association
Martin Howard, Diesel and Electric Preservation Group
Ian Young, Somerset and Dorset Trust
John Parsons, Station Masters Representative
Richard Newton, Friends Groups Representative
Martin Adfield, Staff Representative

In attendance: Mel Hillman, PDG Administrator

Also present by invitation:

Diana Ricketts-Tanner, Chair of Volunteer Recruitment Group
John Bailey, Author of The Bailey Report and Chairman NYMR
Mike Thompson, Plc Project Lead for Restructuring

Apologies: Cllr David Hall, Somerset County Council

Minute

**Action
by**

1. Welcomes

Welcomes were extended to Martin Adfield, WSR Staff Representative as well as to Diana Ricketts-Tanner, Chair of Volunteer Recruitment Group, John Bailey, Author of The Bailey Report and Chairman NYMR and Mike Thompson, Plc Project Lead for Restructuring

2. Minutes of the Previous Meeting

The minutes of the meeting held on 26 June 2020 were AGREED.

3. Matters Arising (not on the agenda)

- i) Minute 1 Staff Representative. It was noted that Martin Adfield had been the previous representative and due to an administrative error had been overlooked on the re-formation of the Group. It was being proposed that the staff representative should change on an annual basis with a maximum term of four meetings. Martin was agreeable to this. The proposal would need a change to the Governance Framework.
- ii) Minute 3 Local Authority Perspective. Steve Williams reported that he was in discussion with Cllr Mike Rigby on progress.
- iii) Minute 5 Minehead Business Development District. It was confirmed that the project was proceeding well and had a key role in boosting the economy in Minehead. The Plc was involved, although there was little to report.

- iv) Minute 6 - Williton Goods Shed. John Parsons raised concerns again about the safety of the roof. Martin Howard added that he had used a hoist to inspect the damage. Gutters had been cleared and tiles within reach removed or replaced, as necessary. John Parsons still had concerns about the safety of people on the platform below. Someone needed to take control. Justin Kerr-Peterson commented that the issue was within the Christmas and General re-opening plans and risk assessments were being produced. It might be necessary to run through on the up platform running line with a speed limit. He still needed to speak to the PW Engineer and seek assurance from a qualified source.
- v) Minute 8 Volunteer Recruitment. Richard Newton confirmed that he had spoken to Clive Hardy at the Swanage Railway who had completed work on the demographics of their volunteers. He had indicated that he was more than happy to share anything with the WSR. Richard Newton agreed to put Diana Ricketts-Tanner in touch with Clive Hardy. RN
- vi) Minute 11a – Fund Raising Group. Steve Williams reported that a collective bid for support funding had been made to the Department of Culture, Media and Sport. The outcome was expected in the next week and Steve would share the news. It was also reported that successful bids for COVID19 emergency funding had resulted in allocations of £4,000 to the S & D Trust and £29,000 to the WSSRT for work at Bishops Lydeard, Williton and Blue Anchor. The Fund-Raising Group was due to meet in the next week and Steve would again share the outcomes. SW

4. Amendment to Governance Framework

With the proposed change to the length of office of the staff representative to one year, the Governance Framework would require amending.

It was unanimously AGREED to do this. Steve Williams would update the document. SW

5. New Volunteer Recruitment Proposals

Diana Ricketts-Tanner had circulated a briefing paper prior to the meeting.

The proposals presented indicated a new process for the recruitment and induction of new volunteers. Funding had so far been provided by the WSRA. The intention was for all volunteers to become elements of the 'WSR Family'. Good working relationships and open debate would be vital across all areas of the Railway. The plans must succeed in order to help the Railway to become the best it could.

The role profiles had been updated. It was intended that the plans would go live from March 2021 with a new volunteer forum in place. A flow diagram was shown outlining the recruitment and induction

process.

The paper went on to outline the evidence of the significant economic impact of volunteer time and work, calculated at least worth £1m+ per year. Every volunteer role was vital to the running of the Railway and needed to feel valued so that everyone could feel proud of the WSR as a whole.

The training opportunities were being reviewed as were the Volunteer Policy and Grievance and Discipline Policies. A new handbook for volunteers was being produced.

Martin Adfield raised the question of retention, especially with the impact of COVID19. Should the Volunteer Group extend its remit? Diana replied that there had been a recent survey with volunteers and that data was being processed. There had been communication difficulties in processing new volunteers in the past. It would be important to be aware of the history to ensure the same mistakes did not occur again.

John Bailey indicated that the same issues could be identified on the NYMR around the lack of a single emotional capital. Good and effective communication channels would be vital across the Railway to keep working volunteers engaged.

Richard Newton welcomed the 'one Railway' vision. The various Friends Groups had a station focus on their role and Richard asked how the various station groups would be incorporated into the recruitment and training programme. However, he would be happy to assist in any way.

Steve Williams indicated that the Volunteer Steering Group would consider the issues around implementation at its next meeting.

It was AGREED that PDG would endorse the overall principles and direction of travel outlined in the briefing paper.

Diana was thanked for her input and left the meeting.

6. **Restructuring the PLC**

Mike Thompson and John Bailey outlined their involvement with the WSR. Mike was a volunteer guard and TTI as well as performing some duties in the Bishops Lydeard booking office. John Bailey, as Chairman of the NYMR had been asked by the HRA to conduct an independent review of issues between the Plc and the Somerset & Dorset Railway Trust. His robust recommendations had become known as 'The Bailey Report'.

The Chairman of the Plc had asked Mike to lead in a consultative role on bringing matters together over restructuring and present recommendations to the Plc Board.

Mike made a Power Point presentation on the issues and process.

This was a cross-party project as part of a formal consultation for the Plc.

Initial views showed some support for a Parent Charity to be set up with the Plc as an operating subsidiary. The Plc Board had been conscious of the impact of this and wished to consult with others with PDG high on that list.

The Key Principles included the setting up of a new Charity, although it was accepted there could be other models. The new Charity should be able to fund a possible loss-making subsidiary. Donations to the charity could be liable for a 25% tax relief. There needed to be more coherent messages to outside bodies and for the Railway to become more credible to volunteers and potential volunteers.

To date, Mike Thompson had taken the lead. There needed to be a forum for disputes. PDG would be a key reference body going forward. The presentation outlined some 'Paths to Progress' and showing some of the challenges to be overcome. Any changes would require the support of Plc Shareholders with some £2.5m invested there. There would also be the costs of completing the process as well as engaging other external bodies.

Mike Sherwood indicated that the WSRA would be in-line with the proposed direction of travel. The Association had made a formal response to the Bailey Report on its website, back in June 2020. There was a recognition that changes would need having the right people with the right skills to make it happen. He asked the question – 'how certain are we that we are not pushing on an already open door?' In the past, Plc shares had been issued in recognition of a cash donation with no value beyond that. Might it be possible to ask current shareholders to consider surrendering the current shares in return for a better value system?

Martin Adfield indicated that obtaining agreement of all parties could be difficult to achieve without a respected and independent Chairman. He had a feel from staff that they would support restructuring going forward but it would depend on the fine detail. There had been differences of opinion in the past and obtaining agreement of all parties could be difficult to achieve.

Ian Young made a reference to the former TV series 'Yes Minister' where proposals for change were referred to an Interdepartmental Meeting' and effectively 'kicked into the long grass'. The process here would require asking the right questions but the proposals presented had his support.

John Parsons indicated that he could see the benefits in the proposals.

Martin Howard commented that the DEPG had been part of the WSR at Williton for many years. He supported constructive proposals and a sensible single direction. However, the DEPG had a specialist role and wished to retain its independence.

Justin Kerr-Petersen commented that the views of the Plc were known. He was a railwayman who just wanted to run trains in a manner which met the various regulatory frameworks. The current proposals did offer a way forward.

Richard Nelson indicated that he was very much in favour of an evolution, not revolution, process. He was disappointed with the distractions at the moment. The various Friends Groups were not charities, although they contributed considerable amounts of donations and punched above their weight. He would like ideas as to how the Friends Groups would fit into the proposed structure. John Bailey indicated that this would be accommodated within the detail with someone to report on all the Friends Groups.

Steve Williams, on behalf of the WSSRT, commented that the Trust had been part of the initial process and had made a formal response. The Board had endorsed the Bailey Report but had made it clear that it wished to remain an independent charity within the overall structure. That remains the current position.

John Bailey indicated that there was a confidence challenge in moving forward. The holder of the lease and the operating licensee would be in control of whatever evolution would be taking place. This would not be a case of 're-arranging the deck chairs'. It would require new faces in all places in order to take the Railway forward.

Mike Thompson commented that he had noted all the responses and asked for suggestions to move forward. It was accepted that the biggest fear was from feeling of being 'taken over'.

The meeting moved to a general 'brainstorming' session where the following comments were noted:

- The lack of communication in the past had been the catalyst for the issues. A way to involve people in the process had to be found in order to find some sort of consensus.
- There had been a vacuum in communication. Were groups clear what would be acceptable?
- A Forum for debate would help involvement in the process. The WSRA and WSSRT were major shareholders in the Plc. These institutional shareholders needed to be involved to help bring the majority 'on-side'.
- There would need to be a substantive communiqué from PDG as a basis for any ongoing communication role.
- There was considerable knowledge within the PDG and that should be put to advantage under a unifying leadership. There was a need to identify people to take on lead roles.
- Were Shares an issue either as a distraction or burden? Mike Thompson indicated that he had drafted a letter to shareholders outlining potential benefits. There would be questions about retaining a voice and voting rights at meetings. If everyone was in favour of a new structure, it should be possible to move forward quickly.

SW

- There would be a question of credibility and independence to gain assurance of other Groups. Who will lead? With the right person, people would follow.

Mike Thompson thanked everyone for their comments which he would summarise. There would be a need to create a 'shell' charity and find the right people. There was a note of caution that all parts of the road map needed to be addressed and a full work programme produced.

The meeting AGREED the following proposals unanimously:

- i) The initial road map of progress was acceptable
- ii) The Terms of Reference and Role of the Project Group were acceptable.
- iii) The key milestones with the Project Management Process would be brought back to PDG for signing off.
- iv) The future meetings of PDG should link with meeting of the Project Group. Steve Williams and Mike Thompson would deal with this.

SW/MT

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It was unanimously AGREED to produce a statement for publication.

SW/MH

Steve Williams thanked everyone for their contributions and also Mike Thompson and John Bailey for joining the meeting.

A question was raised as to how soon these decisions and comments could be shared with individual boards. Steve Williams and Mel Hillman would discuss the circulation of the minutes outside of the meeting and get back to members. It might be necessary to release a redacted version initially.

7. Recent Events at the Steam Trust (WSSRT)

Steve Williams outlined some recent events within the WSSRT. The Chairman had received 15 nominations from current members to stand for election as Trustees at the AGM due on 19 September 2020. There were currently 8 Trustees. The Chairman had postponed the AGM to consider the way forward. The nominations had been made to try to ensure the merger between the WSSRT and WSRA and ensure a sufficient shareholding to impact on that decision. This intervention had not been asked for nor welcomed.

The Trust had a fairly stable membership of around 90 members for years. There had been 77 new applications within 2 months. There had been clear intelligence that this had been done to create enough new voting members to vote for the new nominations.

The WSSRT Board was due to meet on 24 September 2020 to consider matters. As well as postponing the AGM, new applications had also been stopped due to capacity restraints. This had been an unwarranted intrusion. There would be a need to put the issues to members at an AGM before the end of December 2020.

Mike Sherwood commented that 4 of those nominations had also been nominated for election as Trustees at the WSRA AGM due on 26 September 2020. If elected, they could constitute a majority of Trustees.

John Bailey commented that this was a deceptively attractive proposal to form a single controlling charity. He could not argue about the aim but the process had been dishonourable using a 'Trojan Horse' situation leading to a distortion of democracy. The process deliberately sacrificed the independence of the WSSRT and the outcomes could have a negative impact of working with external institutions (eg ORR) in compromising effective corporate governance. Under Charity Law, it would be the duty of Trustees to pursue the charitable aims of the Trust and not the members. This complication had not been thought through.

John Bailey added that huge progress had been made during this meeting towards 'One Railway'. There was a desperate need to gain good support for the restructuring process. Although it might seem controversial, whatever structure is agreed, the success of the new charity would depend on acquiring the freehold of the line from SCC as without it, the charity could not raise capital against the asset.

In a general discussion, it was felt that this was a major distraction when the Railway was looking to run trains again and that PDG should take a view. Steve Williams declared a conflict of interest.

8. Re-opening of the Railway – Update

Justin Kerr-Petersen reported that having consulted with other heritage railways, plans were underway to run some Santa Expresses this Christmas. There would be some logistical issues to resolve, including moving one set of coaches to Bishops Lydeard. They were currently in the wrong order and would require shunting at Minehead, using the Seaward Way level-crossing. The renewal plan was been drawn up so risk assessments were being prepared for hand signalling movements across the level-crossing. There would then be a ECS movement from Minehead to Bishops Lydeard.

Outside engineering work had been taking place and it was intended to obtain qualified signing off of the work soon. The Santa Expresses would operate on weekends between Bishops Lydeard and Williton, allowing maintenance to continue between Williton and Minehead. Consultation documents had been issued to relevant staff. Risk Assessments were being completed. The service would operate until 24 December 2020.

There would be an inspection of steam locos at Bishops Lydeard on 12 November together with further training, familiarisation and competence sign off for staff.

Martin Adfield commented that there would be no issues of staffing Bishops Lydeard Station, although staff would require full notice to

organise training and to decorate the platforms. Mike Sherwood supported this view for staff to be informed. Justin replied that the firm dates of trains were being confirmed.

John Bailey asked for confirmation that copies of the COVID19 plans had been supplied – which was confirmed.

Steve Williams reminded the meeting that WSRA funding was available for training. Martin Howard that the Footplate Standards Group was due to meet to discuss re-qualification issues. The Gala Team was also due to meet shortly.

9. Any Other Business

- i) Martin Howard asked about the acquisition of a replacement heavy forklift. Steve Williams hoped to have a response soon.
- ii) Steve Williams reported that he was expecting the outcome of recent funding bids to be released in the next week. He would inform members of the outcomes.
- iii) John Bailey thanked the Group for allowing him to join the meeting. He had every confidence that the Group was moving in the right direction towards a good future for the Railway.

SW

10. Date and Time of Next Meeting

With the need to link the timing of future meetings with the Project Group meetings to be able to discuss progress, it was AGREED that Steve Williams and Mike Thompson would liaise and future proposed dates be circulated.

SW/MT

The meeting closed at 5.45pm