
DECLAN COLLIER

11th October, 2018

Lilian Greenwood MP
Chair of the Transport Select Committee
House of Commons

Dear Ms Greenwood

Thank you for your letter of 24th September inviting me to attend a pre-appointment hearing before the Transport Select Committee. I confirm that I will attend on Monday 5 November at 16.45.

In your letter, you asked for my response to a number of questions to help inform the committee's considerations. My responses are set out below.

Personal:

- 1) Do you have any business or financial connections or other commitments, which might give rise to a conflict of interest, or the perception of a conflict of interest, in carrying out the duties of Chair of the ORR?**

I confirm that I have no business or financial connections or commitments which might give rise to a conflict of interest or the perception of a conflict of interest in carrying out the duties of Chair of the ORR.

- 2) Do you have any commitments you intend to maintain during your term of office? If so, how do you intend to divide your time between your Chairmanship of ORR and these other commitments?**

I do have a number of existing commitments that I intend to maintain during my term of office. These are: Chair, TCR International NV, non-executive director of The Royal Schiphol Group and Crowdvision Limited. The ORR role asks for a commitment of two days a week and I believe,

after careful consideration, that I will have sufficient time to meet the requirements of the ORR role and my other commitments.

3) How has your experience to date equipped you to fulfil this role? In which areas of the job description do you feel your experience and competencies will enable you to make an immediate contribution to the work of the ORR, and in which areas do you feel it will take more time for you to make a significant contribution?

I have significant experience in successfully running and managing large scale and complex businesses in the transport and energy sectors, both of which are regulated industries. For more than a decade I have had experience contributing at board level both on an executive and non-executive level across a broad range of sectors including: Transport, Energy, Financial Services, Technology and the Arts. During this time I have had experience chairing boards and board committees. Most recently, I have served as the Chair of the World board of ACI, the global airports industry body. I currently serve as the Chair of TCR International NV, a Belgian multinational company operating in the aviation sector.

I believe that the experience that I gained at both an executive and non-executive level, as outlined above, will help me to make an immediate contribution to the work of the ORR by bringing current experience of working on boards and of working in regulated industries.

In addition, I can bring experience of the delivery of customer satisfaction and improving the customer experience.

As I am new to the rail and road sectors, it will take me a little time to pick up specific knowledge of these sectors. However, the ORR has a talented and experienced board and executive and as I have already found, they have been very helpful in furthering my knowledge and can bring me quickly up to speed with the core issues, opportunities and challenges.

Recruitment:

4) Why did you apply for this job, and what was your experience of the recruitment process?

I applied for the role because I felt that the role provided an opportunity for me to give something back by using my skills and experience to contribute towards the development of the sectors and the delivery of a strategy that would help shape the future of rail and road in the UK. Both of these sectors touch fundamentally on the ability of the UK's economy to grow and prosper and, very importantly, on the day to day experience of the passengers and users of these systems. I am also passionate about helping businesses get better at improving customer service and customer experience and I wanted to play a part in delivering that in the transport sector.

With regard to the recruitment process, I found the recruitment experience to be well managed, with the interviews robust and challenging.

5) Do you intend to serve the full term for which you will be appointed?

If appointed, I intend to serve the full term.

Operation of the Board:

6) How will your inclusion on the ORR board enhance the diversity of experiences and perspectives on the board?

As outlined above, I believe that I have wide experience of working with and on boards in regulated industries, each of which have different dynamics, and can bring an 'outside – in' view from another industry in the transport sector. I also have experience in helping to frame and implement strategic thinking within entities and believe that this will prove useful in the context of the challenges facing the ORR and the rail sector in particular over the coming years.

7) How do you intend to manage the board to ensure that the contributions of members are maximised?

My style of working on a board is one that is open, inclusive and encourages cooperation while promoting positive independent challenge. My very limited experience and exposure to the ORR board indicates that the board is working well and I would intend to continue to encourage that. I would also take the opportunity at an early stage to discuss the operation of the board with individual board members, the executive team and stakeholders to ascertain their views of how the board is working and where and how it might be improved.

Priorities for the ORR:

8) How will you ensure that the ORR's regulatory approach evolves in line with the Government's vision for the rail industry, including changes to the franchise system, ending the operational divide between track and train, and putting customers at the heart of decision-making?

It is perhaps too early in my engagement with the work of the ORR to be able to outline specific plans and actions for the organisation. However, I am aware of some of the significant challenges that lie ahead, including the Rail Review and understand that to meet those challenges the industry, and the regulator that regulates it, will need to evolve. I have positive experience of the CAA, in its engagement with the aviation industry, continuously evolving its approach to positively support the sector to meet strategic challenges and believe this approach will bring similar benefits to the rail sector. I believe that the ORR has already

embraced the need to evolve and will continue to do so. As part of this process it will be important that the ORR continues to evolve as the Independent, Expert and Trusted voice of the sector by ensuring that the users of the sector are clear about its role, its abilities and its constraints.

With regard to putting the customer at the heart of decision making, I am a passionate believer in focusing on the needs of the customer to ensure that those needs are understood and addressed. In my experience, a successful focus on customer satisfaction requires the development of a 'customer culture' within an organisation. In this context, I'm confident that the ORR as an organisation will continue to support the industry to develop its 'customer culture' and to ensure that the customer will remain a key focus. It is important to remember that alongside passenger services, freight operators are also important customers of the railway and roads networks.

9) What are your priorities for rail safety?

I have spent all of my career working in safety critical industries in the Aviation and Energy sectors and I fully understand and embrace the need for an intense focus on safety. Safety is also an area that requires a positive and identifiable 'safety culture' within an organisation. That culture exists within the ORR from what I can ascertain; in that regard, I expect the ORR to continue to contribute to making the UK rail system one of the safest in the world. Those that work within the system and the public that use it have an expectation that they can travel and work safely on that system. As always, a critical part of ensuring that will surely be for ORR to continue to recruit and retain a well resourced, well trained, enthusiastic and motivated cadre of railway inspectors.

10) What do you see as the main challenges for the ORR in monitoring Highways England's delivery of investment in England's strategic road network?

This part of the ORR's role is relatively new and in the process of developing. I want to focus on continuing to build and develop relationships with Highways England – making sure that our actions are driving better performance for road users and greater efficiency for taxpayers. I also want to ensure an open and transparent flow of information so that the ORR, and others, can hold Highways England to account for its performance.

Approach of the ORR:

11) What do you regard as the strengths and weaknesses of the way in which the ORR has operated in the past?

As I have not taken up the proposed role with the ORR it is early for me to accurately assess the strengths and weaknesses of the organisation. However, I am aware that the reviews in 2015

and 2016, including the Bowe & Shaw reviews and the Government's own consultation on regulation in the rail industry reached a positive conclusion on the importance of the work of the office as well as making proposals for changes. More recently the Glaister review of the May timetable disruption made findings on the relative strengths and weaknesses of the organisation. If appointed I will ensure that the organisation reflects and acts appropriately on these findings, building on the changes that have already been made in response to these reviews.

I would comment that while attending the recent ORR Board meetings as an observer I have been struck by the willingness of the Board to reflect objectively on its own role and any contribution it makes both negatively and positively. Indeed, this approach has been demonstrated in the recent Glaister Review.

12) The ORR has a wide range of functions. How will you ensure that each receives appropriate focus?

The ORR like many organisations and businesses has a complex range of duties and functions that require prioritisation. Handling the dynamics of shifting prioritisation requires good governance and a broad range of experience at both an executive and board level. From my limited observation, there is a good variety of skills and experience at board and executive level and a solid governance structure to ensure that the ORR's wide range of functions receives appropriate focus. If confirmed in the appointment I would conduct a review with the board members and the executive team to evaluate the current methods of prioritising our focus to determine where improvements might be made.

13) What do you see as the key risks to the ORR performing its core objectives?

Again it is very early for me to accurately identify the key risks but as with many organisations the key risks would include significant changes in the economic environment, public policy developments leading to radical changes in strategic policy, lack of vigilance in particular in relation to safety, and loss of critical resources.

14) How do you see the regulatory approach of the ORR evolving over your term as Chair?

I see the regulatory approach of the ORR continuing to evolve as an Independent, Knowledgeable, Balanced and Customer Focused organisation. As part of this I would expect the ORR to engage positively with the Rail Review, and work with the rail industry to ensure that the regulatory framework continues to meet our statutory duties and delivers the right levels of motivation for operators and protection for customers/users alike.

15) How will you ensure that the ORR engages appropriately with key stakeholders while remaining independent of external pressure groups?

I believe that the ORR has a solid grasp of the boundaries that it must maintain to remain independent. However, it will be important that the ORR continues to engage with all of the constituent parts of the rail and road sectors that it regulates and that it consults widely with key stakeholders and external pressure groups to try to accurately gauge the concerns and opportunities that do or may exist. This approach will be particularly important to allow the ORR to focus on the needs of the customer/user of both the rail and road sectors.

16) Do you think the ORR has the tools it needs to achieve its objectives?

Once again, it is perhaps a little early to answer this question, but from a very preliminary point of view it does appear that the ORR has the tools it needs to achieve its objectives. However, if I do find that we are lacking in either the legislative tools or critical resources to achieve its objectives I will not hesitate to approach Government and seek your support to address the issue.

Accountability of the ORR:

17) How accountable do you believe the ORR is? Do you think the ORR is sufficiently transparent in its work?

Yes, from a very preliminary view, I do believe that the ORR is accountable and is transparent in its work. For a regulator, transparency is an important aid to ensuring independence and trust.

With regard to transparency often there is a difficult balance to be maintained between being open or being private: in general my position would be, to be private only on very strong grounds, as the law requires. A position that I believe the current board embraces. There is a great deal of public money invested in rail and roads in the UK – and a great deal of commercial activity around them. So striking a sensible balance is important in establishing trust.

With respect to accountability to the Select Committee, I would look to ensure an open, transparent and effective relationship, providing you with reassurance and a trusted source of evidence and advice.

18) How important is it that the industries the ORR regulates and the wider public understand how it operates?

I believe that it is very important that industries that are effective monopolies should be regulated for the wider good of the users of those industries. I also believe that it is very important that the wider public understands and is made aware of the function of the ORR and

its aims. This can be quite a difficult task as the work that a regulator does is often complex and highly technical. Therefore, it is important that we try to communicate effectively what the role of the ORR is and the principles that it works by:

1. Evidence based,
2. Objective,
3. Proportionate,
4. Consistent and
5. Independent.

This is a task that I will focus on if appointed, however, driving public awareness levels can be a drawn out, difficult and expensive task and may be constrained by the resources available. Nevertheless, I would expect to see the ORR continue to be a trusted source of evidence and advice for parliament, government and the industries we regulate and by doing so to build passenger and user confidence in the railway and road sectors.

Thank you again for your letter and for your invitation to attend the pre-appointment hearing. I trust that my responses above will answer the questions that you have raised and I look forward to providing any further clarification and information that you might require.

Sincerely,

A handwritten signature in black ink, appearing to read 'Declan Collier', with a long horizontal flourish extending to the right.

Declan Collier