

Transport for the North Board Agenda

Date of Meeting	Tuesday 25 January 2022
Time of Meeting	2.00 pm
Venue	The Hacienda Suite, Holiday Inn Manchester City Centre, 25 Aytoun Street, Manchester, M1 3AE

Filming and broadcast of the meeting

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Item No.	Agenda Item	Page
1.0	<p>Welcome & Apologies (3 mins)</p> <p>The Chair to welcome Members and the public to the meeting.</p> <p>Lead: Chair</p>	
2.0	<p>Declarations of Interest (2 mins)</p> <p>Members are required to declare any personal, prejudicial or disclosable pecuniary interest they may have relating to items on the agenda and state the nature of such interest.</p> <p>Lead: Chair</p>	
3.0	<p>Minutes of the Previous Meeting (5 mins)</p> <p>To approve the minutes of the meeting held on 24th November 2021 (including updates on agreed matters as appropriate).</p> <p>Lead: Chair</p>	5 - 14
4.0	<p>TfN Appointments (10 mins)</p> <p>To consider and approve the recommendation of the Member Panel for the Chair of Transport for the North: to consider and approve the appointment of the S151 Officer.</p> <p>Lead: Martin Tugwell</p>	15 - 18

<p>5.0</p>	<p>Integrated Rail Plan (25 mins)</p> <p>To consider and approve TfN’s submission to the House of Commons Transport Select Committee: to receive further advice on the implications of the IRP.</p> <p>Lead: Tim Foster</p>	<p>19 - 48</p>
<p>6.0</p>	<p>Budget and Business Planning (25 mins)</p> <p>To consider and approve Budget Revision 3: to receive an update on TfN’s core funding and consider the implications for TfN.</p> <p>Lead: Paul Kelly</p>	<p>49 - 56</p>
<p>7.0</p>	<p>Rail Investment Planning Update (10 mins)</p> <p>To consider and approve TfN’s response to the consultation on the Whole Industry Strategic Plan (WISP): to receive an update on the Rail National Enhancement Plan (RNEP): to consider the need for work in respect of the East Coast Main Line, and between Leeds and Sheffield.</p> <p>Lead: David Hoggarth</p>	<p>57 - 68</p>
<p>8.0</p>	<p>Rail Business Planning (10 mins)</p> <p>To receive an update on progress with short term rail service business planning, in the context of an update on the strength of the recovery of rail in the North.</p> <p>Lead: David Hoggarth</p>	<p>69 - 76</p>
<p>9.0</p>	<p>Union Connectivity Review (15 mins)</p> <p>To consider and agree TfN’s response to the publication of the report.</p> <p>Lead: Tim Foster</p>	<p>77 - 86</p>
<p>10.0</p>	<p>Strategic Transport Plan Policy Development (10 mins)</p> <p>To consider and agree TfN policy positions in respect of Active Travel and Multi-Modal Hubs.</p> <p>Lead: Tim Foster</p>	<p>87 - 112</p>

Transport for the North Board Minutes

**24 November 2021
The Queens Hotel, Leeds**

Present:

Attendee

Cllr Louise Gittins (Chair)
Cllr Phil Riley
Cllr Craig Browne
Cllr Keith Little
Cllr David Tucker
Mayor Andy Burnham

Cllr Daren Hale
Cllr Charles Edwards
Mayor Steve Rotheram
Cllr Martin Gannon
Cllr Stewart Swinburn
Mayor Jamie Driscoll
Cllr Don Mackenzie
Mayor Dan Jarvis

Cllr Hans Mundry
Mayor Tracy Brabin
Cllr Andy D'Agorne

Local Authority

Cheshire West & Chester;
Blackburn with Darwen;
Cheshire East;
Cumbria;
East Riding of Yorkshire;
Greater Manchester Combined
Authority;
Hull;
Lancashire;
Liverpool City Region;
North East Combined Authority;
North East Lincolnshire;
North of Tyne Combined Authority;
North Yorkshire;
South Yorkshire Mayoral Combined
Authority;
Warrington;
West Yorkshire Combined Authority;
York;

Local Enterprise Partnership (LEP) Attendees

Steve Curl
Mark Roberts
Matthew Lamb
Peter Kennan

Cumbria LEP
Leeds LEP
North Yorkshire LEP
Sheffield City Region LEP

Partners in Attendance:

Nick Bisson
Ben Smith
Nick Harris
Graham Botham

Department for Transport
Department for Transport
Highways England
Network Rail

Officers in Attendance:

Name	Job Title
Martin Tugwell	Chief Executive
Gary Rich	Democratic Services Officer
Iain Craven	Finance Director
Tim Foster	Interim Strategy & Programme Director
Julie Openshaw	Head of Legal
Peter Molyneux	Major Roads Director
Owen Wilson	Major Roads Strategy Manager
Tim Wood	Northern Powerhouse Rail Director
Peter Cole	Principal Environment and Sustainability Officer
David Hoggarth	Strategic Rail Director

Item No:

1. Welcome & Apologies

- 1.1 The Chair welcomed Members. Apologies were noted from Cllrs Williams, Brooks, Waltham and Hannigan.
- 1.2 The Chair noted the letter which Board Members had received from UNISON prior to the meeting expressing concern about the Integrated Rail Plan and the impact this may have on Transport for the North staff.
- 1.3 On behalf of Cllr Browne the Chair highlighted that a number of Constituent Authorities have submitted bids to become the Headquarters of Great British Railways (GBR). The Chair wished all such authorities luck with their bids.

2. Declarations of Interest

- 2.1 There were no Declarations of Interest.

3. Minutes of the Previous Meeting

- 3.1 The minutes of the meeting of the Transport for the North Board held on 29 September 2021 were considered. The minutes were proposed by Cllr Browne and seconded by Cllr Edwards.

Resolved:

That the minutes of the Transport for the North Board held on 29 September 2021, be approved as a correct record.

4. Integrated Rail Plan Review and Response Plan

- 4.1 Members received the report, presentation and position update from the Northern Powerhouse Rail Director and Interim Strategy and Programme Director.

The Interim Strategy and Programme Director provided an overview of the implications the IRP will have on connectivity and the economy and the NPR Director updated Members on the implications of IRP for NPR and the preferred network.

- 4.2 Members expressed their anger and disappointment with the Integrated Rail Plan and questioned the Government's commitment to levelling up the North of England. Members explained the impact that the IRP will have on the communities they represent in particular noting how the IRP proposals failed to deliver the step change in connectivity that was required to realise the North's economic potential.

- 4.3 Whilst the proposals in the IRP have implications for the majority of Constituent Authorities, Members were particularly keen to highlight the adverse effects that it will have in West Yorkshire, with no new station in Bradford and the consequent impact this will have on the economy of the area and for the people of Bradford. Mayor Brabin was particularly concerned that the failure to include the Board's proposal for a new line connecting Manchester, Bradford and Leeds was a missed opportunity that would constrain opportunities across West Yorkshire and beyond.

Members were also concerned that the IRP proposals missed opportunities to deliver the step-change in access to/from Hull, the North East and South Yorkshire, all of which had been integral to the network-based approach that underpinned the Board's proposal for NPR. Mayor Jarvis was concerned about the lack of certainty regarding connectivity to/from Sheffield arising from the IRP proposals, whilst Cllrs Heather Scott and Darren Hale both highlighted the failure of the IRP to properly reflect the need for improved access to the freeports in their areas.

- 4.4 Cllrs Mackenzie and Swinburn highlighted some benefits that the IRP brings to the North for their respective areas including reduce journey times across the country for North Yorkshire.

- 4.5 All Members expressed concern as to the changed role that Transport for the North would play as the IRP proposals were taken forward. Members highlighted how TfN had played a key role in the development of the Board's preferred proposal, in particular challenging costs. Members sought clarity as to what the change from Co-client to Co-sponsor would mean for the organisation.

On this issue Cllr Edwards urged the Co-sponsor role to be defined.

Mr. Nick Bisson stated that the Department recognised the need to work with TfN to define the co-sponsor role.

- 4.6 In tabling a Motion to the meeting, Mayor Burnham explained that as a Board the priority was about achieving a step-change in connectivity: both East – West and North-South. He highlighted that what the IRP proposals offer in terms of this connectivity is not good enough and he proposed that the Board should continue to press the need for a better deal. He explained that the proposals in the IRP failed the three key tests of additional capacity, improved connectivity, and minimizing disruption.

Mayor Burnham argued that the Board should continue to make the case for the longer-term ambition that underpins the Board's preferred approach. He suggested that the Board should explore, with the Secretary of State, opportunities to secure additional, local contributions towards the cost of the Board's preferred approach. He explained that land value capture might be one option in this regards that could potentially be captured to be used as contributing funding.

- 4.7 Responding to Members' concerns Mr. Nick Bisson reflected on some of the points raised by Members including the issue of timing of delivery, the £200 million funding identified in relation to the Leeds to Sheffield study and mass transit, the improvements in Liverpool journey times, the benefit of the Crewe North connection and issues relating to the North East and South Yorkshire.

Additionally, in responding to Members concerns that certain areas had been struck out of the IRP Mr. Bisson explained that this is just a start of the programme and there is a potential that more investment may follow.

In response, Mayor Rotherham requested that the evidence base behind the IRP be published as a matter of urgency so that a full assessment could be completed.

- 4.8 Mayor Burnham requested clarity from the Chief Executive on the Board endorsing TfN's role as Co-sponsor at the January 2021 Board meeting.

The Chief Executive confirmed that a discussion was had on the options and variety on the potential mechanisms, but the Board had not resolved that co-sponsorship was the preferred way forward.

- 4.9 Members unanimously agreed the following motion:

This Board notes:

- The publication of the Government's Integrated Rail Plan and the announcement of associated investment;
- That the proposals breach the commitments Government had previously made on Northern Powerhouse Rail, and differ from this Board's preferred option, as set out in statutory advice to the Department for Transport.

This Board recognises:

- That the Government acknowledges connectivity East to West is not only about speed but capacity and connection between towns as well as cities;
- That in failing to deal with the infrastructure constraints, particularly around Leeds and Manchester, the plan is the wrong solution for the whole of the North and does not deliver the long-term transformation required to level up the North's economy;
- That the proposals would present significant operational performance risks with intercity, regional, local, and freight services competing for capacity on critical sections of shared infrastructure across the North;
- That TfN's preferred option for Northern Powerhouse Rail would provide up to 12 fast trains per hour between Leeds and Manchester, compared to 8 through the upgrade option in the Integrated Rail Plan;
- That disruption caused to passengers, freight and the economy by upgrading lines is likely to be more significant than for the construction of new lines;
- That Bradford is the seventh largest local authority area in England by population and its residents currently have no direct rail access to Liverpool, Sheffield, Newcastle, Hull or Manchester Airport;
- The importance of Liverpool as a key destination for business and tourism and the insufficient capacity at Liverpool Lime Street Station to support the desired levels of service;
- That the re-opening of the mothballed Leamside line (TfN's preferred option for NPR) would remove the current constraints of six trains per hour on the East Coast Main Line
- The importance of improving connectivity on strategic corridors between Sheffield and Leeds; Sheffield and Manchester; Sheffield and Hull, and Leeds and Hull.
- That there is a need to ensure the city of Hull and East Riding are reconnected to the Transpennine mainline and plans for electrification are reinstated as part of improved East West decarbonised freight and passenger connectivity.

4.10 The Chair thanked all Members: she reflected that it was clear from the debate the depth and strength of feelings across the North in response to the publication of the IRP.

Resolved:

- 1) That the Chair of Transport for the North writes to the Secretary of State for Transport asking him to explore with Transport for the North funding options for the delivery of the preferred Northern Powerhouse Rail.

Funding options could include local contributions, including through harnessing local economic benefits.

- 2) That the Chief Executive of Transport for the North prepares a report to the Board on the impact the Integrated Rail Plan will have on the North's economic and decarbonisation ambitions.

5. Budget Revision 2

- 5.1 Members received the report from the Finance Director who highlighted the key aspects of the report before inviting comments and questions from Members.

Resolved:

- 1) That the financial performance in the seven-month period to October 2021 be noted;
- 2) That the Revision 2 Budget be approved;
- 3) That the submission for incremental grant be noted and that the budget may need to be increased once the additional funding request to DfT has been confirmed;
- 4) That the compliance with Treasury Management Strategy be noted;
- 5) That the proposal to continue to opt in to the PSAA regime through which TfN's external auditors are appointed and approved.

6. Business Planning Update

- 6.1 Members received the report from the Finance Director who highlighted the key aspects of the report before inviting comments and questions from Members. Publication of the Integrated Rail Plan was noted as a development, but it was also noted that core funding will not be known until January.
- 6.2 Mr. Ben Smith stated that the DfT recognised the challenges faced by TfN in relation to this matter and indicated his team would work as quickly as possible to resolve these uncertainties .

Resolved:

That the Board notes the challenges and approach to the 2022/23 Business Planning process.

7. Approval of the Decarbonisation Strategy

- 7.1 Members received the report and the presentation from the Principal Environment and Sustainability Officer who highlighted the key changes to the Strategy following the comments received in response to the consultation on the draft Strategy.

- 7.2 Members were supportive of the report and the updated Strategy with the Chair also supportive of the actions described within the Strategy, some of which are already under way. Members continued to voice concern about the high amount car usage.
- 7.3 Mr. Steve Curl raised the issue of carbon in Cumbria with 50% of all carbon emissions in the area created by visitors. He supported the Strategy and requested the help of TfN to help Cumbria hit its own net-zero target date of 2037.
- 7.4 Members were keen to emphasise the importance of this work and believe that the Strategy demonstrates the valuable work undertaken by TfN. In particular, Cllr Edwards welcomed the Strategy as demonstration of TfN's purpose added value – ambitious and collegiate. Cllr Edwards requested that the Department should take this report as inspiration as evidence when looking at the funding for TfN.
- 7.5 The Chair requested a summary version of the strategy be made available to the public. The Principal Environment and Sustainability Officer confirmed that an 'at a glance' version of the Strategy would be produced and made available.

Resolved:

- 1) That the Board endorses the updates to the strategy following the public consultation;
- 2) That the Board approves the Decarbonisation Strategy;
- 3) That regular update reports be brought back to the Board.

8. Major Roads Report

- 8.1 Members received the Major Roads Report from the Major Roads Strategy Manager who highlighted the key aspects of the report before taking questions and comments.
- 8.2 Members discussed the issues of active travel and freight, noting that these illustrated the key role that roads have to play in supporting the North.
- 8.3 Mayor Driscoll highlighted the importance of the road network and particularly how vital it is for people of limited mobility. On the issue of improving congestion, he suggested that road schemes need to be viewed from the perspective of how they can be improved to support local bus services.
- 8.4 Cllr Riley commented on pricing policy on public transport and how this impacts on the decision making of the public when choosing their mode of travel.

Resolved:

- 1) That the Board approves the publication of the Major Roads Report;
- 2) That the Board notes the comments of the Scrutiny Committee and the questions raised by Mr. Rae.

9. Rail Reforms

- 9.1 Members received the report from the Strategic Rail Director who highlighted the key areas of the report before taking questions and comments from Members.
- 9.2 Mr. Peter Kennan requested that the recommendations be amended to be explicit about the need to work with the LEPs. The Chair agreed with Mr. Kennan that this should be included.
- 9.3 Cllr Edwards suggested the TfN should be a “test pilot” for developing an approach that strengthens the role of regional and local partners as part of the rail reforms.
- 9.4 Cllr Browne emphasised the importance of the Great British Railways Head Office being located in the North.

Resolved:

- 1) That Board notes the progress on working with the industry on implementing the Rail White Paper in the North;
- 2) That Board endorses the approach set out in the report.
- 3) That Officers are mandated to engage with Great British Railways (GBR) Transition Team, Mayoral Combined Authorities, Local Transport Authorities and LEPs to work collaboratively on developing the proposals;
- 4) That Members support the case for locating the new Headquarters for Great British Railways in the North;

10. Appointment of the Transport for the North Board and Partnership Board Chair

- 10.1 Members received the report from the Director of Business Capabilities and the Chair outlined the current position following the first interviews.

Resolved:

- 1) That the Board notes the current position and next steps with regard to the recruitment process;
- 2) That the Board notes that a report will be presented to the January TfN Board meeting with a recommended preferred candidate for appointment.

11. Governance Report

- 11.1 Members received the report from the Head of Legal Services who outlined the key points within the report.

- 11.2 On the issue of the Membership of the Rail North Committee Cllr Hale confirmed that option two is the preferred option of the Humber Leaders.
- 11.3 Mayor Rotheram commented on meeting locations and the difficulty of travelling to certain locations from Liverpool and Hull.

Resolved:

- 1) That the nominees for the General Purposes Committee as set out in Appendix 1 with the addition of Cllr Laura Crane of Cheshire East as the Cheshire & Warrington Regional Group representative be appointed and Cllr Crane replaces Cllr Corcoran as the Substitute Board member for Cheshire East;
- 2) That as no nominees for the vacancy on the Audit and Governance Committee were received, this position remains vacant;
- 3) That the waiver of the Terms of Reference in respect of the Chair of the Partnership Board currently in place continues until such time as the Board may resolve to the contrary at a future meeting;
- 4) That Appendix 12 of the Constitution as currently reproduced be replaced with the Code of Conduct published by the Cabinet Office in November 2019;
- 5) That Board agrees in principle subject to compliance with health and safety considerations to hold 4 meetings per annum, one in person at a Manchester venue, one in person at a Leeds venue, with the other two meetings held as Chief Executive Consultation calls and any additional meetings convened if required by circumstances;
- 6) That following the request from the four Leaders of the Humber authorities Board agrees to amend the membership of Rail North Committee to allow the Humber Region two representatives, one from the North of the Humber and one from the South of the Humber, each holding the weighted votes currently attributable to those areas in the event of a vote taking place, and delegates authority to the Monitoring Officer, having consulted with the Chief Executive, to make the necessary consequential changes to the Constitution.

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Meeting: Transport for the North Board
Subject: TfN Appointments
Author: Stephen Hipwell, Head of Human Resources
Sponsor: Dawn Madin, Director of Business Capabilities
Meeting Date: Tuesday, 25 January 2022

1. Purpose of the Report:

1.1 The purpose of this report is for Members to consider and resolve upon the appointments of a Chair for the Transport for the North (TfN) Partnership Board & TfN Board and Interim Finance Director.

2. Recommendations:

2.1 That the Board:

1. **Approves** the appointment of Lord McLoughlin, the Appointment Panel's recommended candidate, as the Chair of the TfN Partnership Board from 26 January 2022;
2. **Notes** that in approving this candidate, Lord McLoughlin is by operation of the Sub-national Transport Body (Transport for the North) Regulations 2018 co-opted to the TfN Board;
3. **Approves** the appointment of Lord McLoughlin, the Appointment Panel's recommended candidate, as Chair of the TfN Board from 26 January 2022;
4. **Notes** the formal start date for the Chair and support to be provided by TfN officers;
5. Approves that the Vice Chairs with the support of TfN's CEO agree Lord McLoughlin's probationary objectives and monitor performance;
6. **Approves** the appointment of Paul Kelly, as Interim Finance Director (S151 Officer) from 17 March 2022.

3. Appointments of the Chair of the TfN Board & Partnership Board:

3.1 At its September 2021 meeting, the TfN Board approved the process for recruiting an Independent Chair for the TfN Board and TfN Partnership Board, establishing an Appointment Panel to lead the process.

3.2 Membership of the Appointment Panel was as follows:

- Councillor Louise Gittins – Chair of the Appointment Panel
- Councillor Heather Scott
- Councillor Daren Hale
- Councillor Craig Browne
- Peter Kennan, SCR LEP
- Ben Smith - DfT Representative – Observer Capacity
- Martin Tugwell - TfN Chief Executive – Observer Capacity

3.3 The Board also made several key decisions in September, namely, that there should be the same Chair for both Boards, approval of the role profile and approval to amend the TfN Constitution to remove restrictions on candidates.

3.4 As was noted in the progress reported to the November 2021 TfN Board meeting, following completion of the first stage selection process, the Appointment Panel

identified two closely matched candidates which they wished to take through to a second stage selection process that included:

- Candidate meetings with the CEO to discuss how the role of Chair/CEO work effectively together;
- Second stage panel interview focusing on the implications of the Integrated Rail Plan (IRP) and each candidate's approach to this.

3.5 Having completed this second interview stage, given the importance of this role, the Appointment Panel wished to give elected Board Members and their preferred candidate at that stage, the opportunity of an informal discussion chaired by Cllr Louise Gittins (Chair of the Appointment Panel) before the Appointment Panel reached a final decision. The following TfN Board members attended the informal session:

- Mayor Tracy Brabin
- Mayor Jamie Driscoll
- Councillor Martin Gannon
- Councillor Daren Hale
- Mayor Dan Jarvis
- Councillor Carl Les
- Councillor Heather Scott
- Councillor David Tucker

3.6 **The Preferred Candidate:**

Having now completed all stages of the process, the Appointment Panel has identified Lord McLoughlin as its preferred candidate. The Panel is therefore recommending that the TfN Board approves a formal offer to this candidate.

3.7 Lord McLoughlin is a Life Peer of the House of Lords and a former Secretary of State for Transport. His tenure included government investment in rail including electrification of the Great Western Main Line and the Northern Powerhouse Rail. He is the Chair of Airlines UK and a Board advisor to XRail.

3.8 As set out in Paragraph 38.3 of the Constitution, all non-elected members co-opted to the Transport for the North Board as a co-opted member are expected to abide by the Code of Conduct for Board Members of Public Bodies published by the Cabinet Office and reproduced at Appendix 12 of the Constitution. The recommended candidate has confirmed his belief that he is able to comply with that Code and his other known current or past roles disclosed upon application do not at this stage give rise to any reasonable concern in respect of such compliance; all non-elected members have an obligation to keep their ability to comply under review. The Independent Chair's duties and obligations to TfN are set out within a contract for services with TfN.

3.9 All other required pre-engagement checks including receipt of satisfactory references and right to work in the UK have been completed.

3.10 **Appointment to TfN Board and TfN Partnership:**

The Sub-national Transport Body (Transport for the North) Regulations 2018 provide that whoever is appointed as Chair of the Partnership Board will become a co-opted member of the TfN Board without formal co-option by the Board and so becoming eligible to Chair the TfN Board.

3.11 Given the previous Board decision re-stating the wish for the same person to chair both Boards, the Board is asked to first appoint the Chair of the TfN Partnership Board, consequently triggering the automatic co-option of the candidate onto the TfN Board.

- 3.12 TfN's Constitution provides that Board will endeavour to reach decisions by consensus. However, if a formal decision is required, voting is on the basis of a weighted vote as set out in the matrix in the Constitution. Approval of both the Chair of the TfN Partnership Board and Chair of the TfN Board position is undertaken by vote. Both are decided on the basis of a simple majority of members who together hold more than 50% of the population weighted vote.
- 3.13 It is proposed that the new Chair of the TfN Board & Partnership Board will take up this appointment from 26 January 2022. He will be supported by a formal handover with the current Interim Chair, Cllr Louise Gittins, alongside completing a thorough induction process, which will include early engagement with all Board Members and several Constitution/governance sessions led by the TfN Monitoring Officer.
- 3.14 As previously agreed, the contract for service for this role will be for an initial period of up to four years, with three months' notice on either side. This post is accountable to the TfN Board, it is suggested that performance monitoring is via the Vice Chairs.
- Continuation of the appointment will be contingent on the continued satisfactory performance of the post holder and re-election on an annual basis as Chair of TfN Board & Partnership Board in accordance with the rules set out within TfN's Constitution. In this case the next vote will take place in Annual General Meeting of the Board scheduled for July 2022. It is proposed that the Vice Chairs with support from TfN's CEO, set Lord McLoughlin probationary objectives and monitor performance.
- 3.15 **Appointment of Interim Finance Director (S151 Officer)**
- The current TfN Finance Director (S151 Officer) has recently tendered his resignation and will officially leave TfN on 16 March 2022 (his last working day being 25 February 2022).
- 3.16 In light of the recent budget settlement, IRP announcement and on-going business planning activities, it is recommended that interim cover arrangements are put in place at this time. This will ensure TfN has sufficient time to consider and determine the long-term future requirements from this role, before going out to market for a permanent replacement.
- 3.17 In the meantime, it is recommended that TfN's existing Financial Controller (Deputy S151 Officer), Paul Kelly, be appointed to act-up into the role of Interim Finance Director with effect from 17 March 2022, initially for a period of six months, or until such time a new permanent Finance Director is appointed and commences employment with TfN. This recommendation is presented to Board because the designation of the Finance Director is one of the functions reserved to Board.
- 3.18 A full and documented handover will be completed between Finance Director and Financial Controller during February 2022 a copy will also be held by the TfN HR team to ensure a seamless transfer of responsibilities ahead of the departure of the current Finance Director. A backfill for the role Financial Controller will also be put in place for the duration of this acting-up arrangement.
- 3.19 TfN's Stakeholder Engagement and Communications Team will implement an internal and external communication plan to proactively promote both these appointments.

4. Corporate Considerations:

4.1 Financial Implications

The TfN Chair will receive an annual salary of up to £60,000 per annum based on working up to 60 days per annum.

The costs associated with covering the role of Finance Director will be met from the existing TfN revenue budget.

4.2 Resource Implications

The resource implications have been considered and addressed within the report.

4.3 Legal Implications

The legal implications have been considered and are addressed within the report.

4.4 Risk Management and Key Issues

The risk management and key issues have been considered and addressed within the report.

4.5 Environmental Implications

No environmental, decarbonisation or sustainability implications envisaged as a result of recommendations.

4.6 Equality and Diversity

There are no equality and diversity implications as a result of this report.

4.7 Consultations

There was no Consultation required.

5. Background Papers

5.1 There are no background papers.

Meeting: Transport for the North Board
Subject: Integrated Rail Plan update
Author: Tim Foster, Strategy and Programme Director
Sponsor: Martin Tugwell, Chief Executive
Meeting Date: Tuesday 25 January 2022

1. Purpose of the Report:

- 1.1 To update Board members on the Integrated Rail Plan, including:
- Progress since the publication of the IRP;
 - Discussions with Government on transition arrangements and funding implications for TfN;
 - Proposed approach to the Transport Select Committee Inquiry ; and
 - Co-sponsorship of Northern Powerhouse Rail.

2. Recommendations:

- 2.1 Members are asked to **note** the progress outlined in section 3 of the report and the update on transition arrangements and implications in section 4.
- 2.2 Members are asked to **agree** the proposed approach to the Transport Select Committee inquiry in section 5.
- 2.3 Members are asked to **consider and support** the section on co-sponsorship (section 6) including the principles outlined in Appendix 3 and the CEO's future vision for TfN (Appendix 4).

3. Progress since the publication of the Integrated Rail Plan:

- 3.1 Following the publication of the Integrated Rail Plan on 18 November 2021, officers undertook an initial assessment of the potential economic consequences of the Plan, and key findings were presented at the TfN Board meeting on 24 November 2021. The Board made clear its dissatisfaction with a number of choices that had been made by Government through an unanimously agreed motion.
- 3.2 A number of activities have been undertaken since the Board met in November:
- 3.2.1 Immediately following the November Board meeting, the Interim Chair provided statutory advice to government emphasising the Board's unanimous concerns about the IRP and seeking a constructive way forward. A response was received from the Secretary of State on the 17th December (Appendix 1). The Secretary of State has not responded to the Interim Chair's request to meet with a delegation from the Board to discuss a constructive way forward. However, he has indicated his willingness to consider further investment proposals in addition to those presented in the IRP.
- 3.2.2 In responding to Government, the Board noted the absence of the technical documentation supporting the IRP proposals. The evidence base behind the IRP remains unpublished, despite requests from both members and officers. Without further information, TfN officers remain unable to determine how key decisions

have been reached or if the approach outlined in the new HMT green book has been followed.

- 3.2.3 TfN officers have commenced the economic and environmental assessment of the IRP as directed by the Board in November. The assessment will include the implications for connectivity and economic productivity, local plans and strategies, redevelopment around stations, freight and international connectivity, and decarbonisation. The initial work is focused on the local economic plans of partner authorities most affected by changes to HS2 and key decisions on Northern Powerhouse Rail. The work will report back to Board members in February and March 2022.
- 3.2.4 The Board also remitted the Finance Director to explore funding options in relation to the delivery of its preferred Northern Powerhouse Rail network. A working group made up of partner officers and LEP members has been established to take forward this work. A meeting with DfT officials (to be attended by Transport for the North Officers and representatives of the working group) has been arranged for 27 January 2022, the primary objective of which will be to understand the parameters within which any immediate proposals will need to sit. Officers have also working closely with the Northern Powerhouse Partnership who have been asked to look at related opportunities for funding transport infrastructure, including Northern Powerhouse Rail.
- 3.2.5 Finally, work has been undertaken on the co-sponsorship arrangements and initial discussions held with departmental officials, and the update on this work is reported in section 6 of this paper.

4 Transitional arrangements and implications for business planning

- 4.1 The Integrated Rail Plan outlined the Government's intention to retain sole management (or "clienting") of the NPR programme and ownership of the business case, with TfN offered a co-sponsorship role. DfT officials subsequently informed TfN officers that they intend to start the new arrangements from the start of the next financial year.
- 4.2 These changes in governance have significant implications for the funding and structure of TfN and whilst initial discussions commenced with DfT officials in December, much of the detail has yet to be presented by the Department. However, it has been made clear in both the IRP and subsequent discussions that no further TDF funding to resource the NPR programme is available after the end of this year and that the bulk of the work that was being performed by TfN through the NPR programme will be transferred to the Department. This has significant implications for wider business planning activity, as set out in the Finance and Risk update for this Board. The Chief Executive has outlined the need for urgent resolution, and set out implications of these delays to the Department in the strongest possible terms.

5. Transport Select Committee Inquiry

- 5.1 The Transport Select Committee has announced an inquiry into the Integrated Rail Plan. A call for evidence has been published, with written evidence to be submitted by the 24 January 2022. The clerk of the committee has agreed a short extension to enable the Board to consider the draft evidence submission at Appendix 2 at the Board on the 25 January. Hearings are expected to take place in February and March. Invitations to appear as a witness to the committee's inquiry have been issued to the Chief Executive, Interim Chair, the permanent Chair when appointed and other members of this Board.
- 5.2 The TSC is seeking evidence on the implications of the Integrated Rail Plan (IRP) for the economy and rail capacity and connectivity, including:

- The contribution that the IRP will make to rail capacity and connectivity for (a) passengers and (b) freight in (i) the Midlands and the North and (ii) the UK
- Whether and how the IRP will “level up” communities in the Midlands and the North
- How the IRP will affect rail infrastructure and services outside the Midlands and the North
- The challenges to central Government, Great British Railways, regional and local authorities, transport bodies and other stakeholders in delivering the IRP
- How the rail schemes in the IRP will integrate and interact with HS2
- How the rail improvement schemes in the IRP were selected, and whether those selections represent equity between and within regions
- Whether the IRP represents value for money for UK taxpayers

5.3 The draft submission is included at Appendix 2, and draws on the Board’s consistent and clear statutory advice to government since 2019 covering NPR and HS2, including the latest advice submitted in November 2021. It also draws on the evidence TfN Board submitted to the National Infrastructure Commission’s Rail Needs Assessment in May 2020.

5.4 The draft TfN submission focuses on the following issues:

- Restating the Strategic Case for connectivity and capacity of the full NPR/HS2 network, as evidenced within both the STP and NPIER and the foundations of the original “Northern Powerhouse” approach.
- Outlining the way in which NPR has been carefully designed and developed as a network of services to deliver transformational benefits for passengers and freight. Emphasising that the development of NPR has been backed by robust evidence and decision making throughout.
- Setting out the social, environmental and economic consequences of the IRP, the implications of long-term upgrades on disruption
- The clear, consistent statutory advice from the Board to government throughout the Oakervee review, the NIC’s Assessment and the IRP, emphasising that the North could have responded to a funding envelope had that been made clear.
- The offer from the Board to work constructively with government to agree a way forward and agree how future phases of NPR will be developed, including the role of local funding contributions.

5.5 The draft submission will be shared with officers in partner authorities and written comments in advance of the Board would be welcome. The final version will be approved by the Board. Alongside the main submission, we also propose to submit all the publicly available statutory advice from the TfN Board, as well as the full submission to the NIC’s Rail Needs Assessment in 2020.

6. Sponsorship arrangements

6.1 The IRP set out the Government’s intention to directly client the next stage of NPR (Phase 1), replacing the co-client arrangements established in 2015, and with TfN moving to a co-sponsor role. David Hughes’ letter of the 18th November outlined the Department’s intention to transition to the new governance arrangements by April 2022. The TfN Executive has sought further detail from DfT officials on the intended approach to co-sponsorship but, at the time of writing, only high-level proposals have been received for a joint Sponsor Board for NPR Phase 1.

6.2 Without further detail available, TfN Executive has produced two appendices to this paper as the basis for initial discussions with members on the preferred way forward:

- The Board's preferences for the co-sponsorship of NPR Phase 1 and the successful agreement of a set of arrangements with DfT (Appendix 3).
- The future operating model for the organisation's statutory functions in the light of the changes to the NPR programme (Appendix 4).

Given the importance of the changes to NPR governance for TfN's future operating model, these two issues need to be considered together.

6.3 In addition, the Executive recommend that a future Board decision to enter into any co-sponsorship arrangements with Government should be dependent on the following principles:

6.3.1 **A comprehensive co-sponsorship role**, which at minimum should cover NPR Phase 1 (which now includes Transpennine Route Upgrade (TRU)), development of future phases of NPR, and preferably also include HS2 and wider rail investment in the North, including future phases of NPR.

6.3.2 **A strong and meaningful co-sponsorship role**. Clearly any sponsorship role must include a strong role for members in agreeing desired programme outcomes with ministers as well as clear oversight of visibility of progress and delivery. The Board will want assurances that the client function will maintain the integrity of the North's long-term ambition for the NPR network and continue the strong (and essential) programme integration and challenge and oversight roles currently undertaken by the TfN NPR programme. If required, TfN should seek to retain those functions as part of a strengthened co-sponsor role.

6.3.3 **Continuing to provide independent statutory advice to Government**. This must include advising government on additional rail investment outside of the agreed scope of the co-sponsor function. To continue in that role, TfN must retain an independent evidence base and technical capability to advise the Board. TfN has demonstrated how that technical capability can be deployed successfully on issues such as the Manchester Recovery Task Force, as well as NPR and the TfN Investment Programme. There are elements of the Rail North Partnership which can be successfully applied to the joint sponsorship arrangements.

6.3.4 **An adequately resourced co-sponsorship role**, building on the successes of the Strategic Transport Plan, Northern Transport Charter and TfN Decarbonisation Strategy, and aligned to the emerging vision in appendix 3. That means ensuring that the co-sponsor function is appropriately resourced alongside the core statutory functions of the organisation and the government's emerging new priorities for Sub-national Transport Bodies.

6.4 At this stage the Executive is seeking steers on the overall approach and principles to reaching agreement with the department. We will continue to press for further detail and a swift resolution to discussions.

7. Corporate Considerations

Financial Implications

7.1 The financial implications of the IRP, in particular the transfer of the NPR to DfT, are currently under discussion with DfT. The close down costs are anticipated to be funded from within TDF funding allocations with the exact mechanism currently being discussed. The core funding allocation for 2022/23 and beyond, once received and its scope fully understood, will allow business planning for future years to progress.

Resource Implications

- 7.2 The full implications of the IRP once established alongside our core budget settlement for 2022/23 and beyond, may necessitate a review of our corporate objectives, priorities and organisational design, and need to undertake a downsizing programme.

With regards to TDF funded posts supporting the NPR programme with members approval, once the required detailed service transfer specification is received from DfT, the necessary TUPE process will commence through to its conclusion.

In the meantime, DfT has requested TfN second two employees to support SOBC development to align with the IRP and co-ordinate policy, infrastructure and analytical inputs into an integrated programme plan.

Legal Implications

- 7.3 This paper does not require a legal assessment.

Risk Management and Key Issues

- 7.4 The risk implications are set out in the report.

Environmental Implications

- 7.5 The environmental implications of the IRP are being assessed by officers and the outcome will be reported at a future Board.

Equality and Diversity

- 7.6 The equality and diversity implications of the IRP are being assessed by officers and the outcome will be reported at a future Board.

Consultations

- 7.7 Officers consulted with the Scrutiny Committee on the 12th January. There are no further consultations required at this point, however discussion with the Department for Transport will continue on the sponsorship role.

8. Background Papers

- 5.1 There are no background papers.

9. Appendices

- 9.1 Appendix 1: Response from the Secretary of State to the TfN statutory advice.
Appendix 2: Draft TSC submission
Appendix 3: Co-sponsorship principles
Appendix 4: Future operating model for TfN

Glossary of terms, abbreviations and acronyms used (if applicable)

Please include any technical abbreviations and acronyms used in the report in this section. (Please see examples below.) This will provide an easy reference point for the reader for any abbreviations and acronyms that are used in the report.

- | | |
|--------|------------------------------------|
| a) IRP | Integrated Rail Plan |
| b) NIC | National Infrastructure Commission |
| c) NPR | Northern Powerhouse Rail |

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17 December 2021

Dear Louise,

Thank you for your letter of 26 November 2021 outlining Transport for the North (TfN) Board's statutory advice regarding the Integrated Rail Plan (IRP).

I have noted the Board's concerns with the proposals set out in the IRP, including the core Northern Powerhouse Rail (NPR) network. However, let me emphasise again the benefits of the IRP for the North. It represents the single biggest ever government investment in rail infrastructure at £96bn, with £23bn in spending between Liverpool and York alone.

The core NPR network will achieve similar outcomes to previous proposals. I could not justify to the taxpayer spending an extra £18bn to save 4 minutes between Leeds and Manchester and 6 minutes between Liverpool and Manchester. Our proposals will also see NPR services running this decade, with benefits starting sooner than originally envisaged.

In his independent review of HS2, Doug Oakervee recommended the Government look at how projects like HS2, NPR and other major rail schemes work together, with a view to delivering benefits sooner for the North and Midlands.

The IRP sets out, for the first time, a costed and deliverable plan to build NPR. In 2019, the Prime Minister set out his commitment to developing NPR between Manchester and Leeds. Not only will we achieve this, but it has now been extended west to Liverpool and east to York, with intermediate stops at Warrington and Huddersfield. This will see capacity more than trebled between Manchester to Leeds and doubled between Liverpool and Manchester. The journey from Liverpool to Leeds will be cut by over 30 minutes and reaching Manchester Airport from Liverpool will take just 26

minutes, a journey of over 70 minutes today. Trains from Hull, Newcastle and York to Manchester and Liverpool will also see faster journey times.

I agree with your comments on the importance of Bradford. That's why I have committed up to £500 million to deliver electrification and upgrades of the line between Bradford and Leeds, bringing journey times as low as 12 minutes - a saving of almost half compared to today.

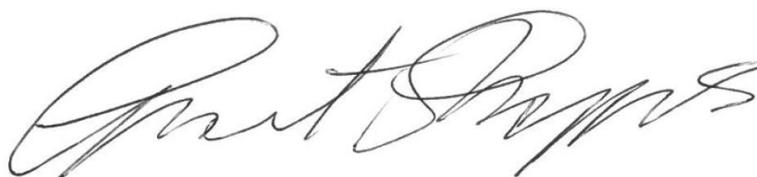
In addition, I am providing £100 million to start work on the West Yorkshire Mass Transit system and how best to take HS2 trains to Leeds, including assessing Leeds station capacity. This will seek to provide better connections for residents and businesses of Bradford, not just to Leeds but to the rest of the country including London.

The pandemic has demonstrated how sensitive rail demand is to change. Some have suggested halting all further rail investment until rail demand recovers. The Prime Minister and I rejected this. The case for investment in the rail network in the North and Midlands remains strong. Bringing communities, towns, and cities closer together and improving access to high-wage and high skilled jobs will achieve the levelling up we all wish to see.

Having considered the advice you provided, I do not intend to revisit the decisions reached in the IRP. I believe the core NPR network is the best way to improve journey times and increase capacity from Liverpool to York.

However, as the IRP sets out, the Government intends to take an adaptive approach, meaning that there will be future opportunities to consider building on the core pipeline of the IRP. I would also welcome discussion on any proposals to locally fund infrastructure beyond the scope of that core pipeline; and on how we can maximise the benefits of the investment committed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Grant Shapps', written in a cursive style.

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT

Appendix 2: Draft Transport Select Committee Response

Introduction

Transport for the North (TfN) welcomes the Transport Select Committee's inquiry into the Integrated Rail Plan (IRP). This submission explains why the full Northern Powerhouse Rail and HS2 network is fundamental to delivering the step-change in connectivity required to "level up" the North and by extension the UK. It set out how the Department for Transport (DfT) and TfN worked in close collaboration to prepare credible, coherent and workable plans that would deliver that step change and thereby unleash the economic potential of the North.

Based on the information currently available it is clear to the TfN Board that the proposals published in the IRP fail to achieve the long-term step change for the rail network across the North. Nevertheless, as a potential first phase in realising our shared vision for the North, the TfN Board remains fully committed to continue to work collaboratively with Government.

Alongside this submission we will supply all of the statutory advice agreed by the TfN Board (representing the collective political and business leadership across the whole of the North of England) and submitted to Government on Northern Powerhouse Rail (NPR). In addition, we have included our advice and evidence to both the Oakervee Review and the National Infrastructure Commission for their Rail Needs Assessment.

Throughout this submission, our use of the term NPR should be taken to mean the concept (with agreed aims) as originally identified with Government and the preferred network as agreed by the TfN Board. This differs significantly from the NPR network as the term is now defined by Government in its IRP. Similarly, this submission uses the term HS2 to refer to the full western and eastern legs, reaching Manchester and Leeds as originally conceived by Government.

Background and Context

Transport for the North has worked collaboratively alongside the Department for Transport as co-clients since the inception of Northern Powerhouse Rail. In this it has been supported and advised by Network Rail and HS2 Limited throughout the development and decisions around the shared objectives for NPR and shortlisting of options. The decisions taken by the TfN Board and our co-clients have been grounded in the detail of TfN's evidence base is robust, transparent and credible.

The vision for NPR was first established in the 2015 Northern Transport Strategy (NTS) prepared jointly by Government and the then Transport for the North partnership. The NTS set out the level of connectivity required to create an interconnected, inter-dependent and more productive North. Whilst the NPR project has evolved significantly since 2015, the original shared vision for the project and the "conditional outputs" of fast and frequent services between key economic centres has been the basis for all the technical, analytical and decision making undertaken as co-client with DfT.

Being led by the evidence means that we have been clear and consistent in our advice to Government and to the earlier Oakervee Review on NPR, HS2 and other rail improvements. We have demonstrated the potential for growth and prosperity in the North, and established how business as usual infrastructure

investment will not close the economic gap or address the social and environmental challenges.

A key factor in enabling local authorities to prepare their land-use plans, and in giving confidence to private sector investors, is a clear and consistent vision as to the strategic infrastructure requirements of a region. The benefits of clarity, consistency and certainty in this regard are clearly demonstrated by investments that have taken place along the route of HS2 Phase 1.

The Economic Context

TfN's approach to strategic infrastructure planning is shaped by the recognition that investment in transport has to be considered in terms of its contribution to delivering outcomes: expressed in terms of economic, environmental and social outcomes.

The 2016, Northern Powerhouse Independent Economic Report (NPIER) was instrumental in establishing the potential for a transformed northern economy. It identified how improving transport networks is a necessary condition in order to raise productivity and deliver economic growth through agglomeration by removing physical barriers to trade and improving access to labour markets.

It established how realising the untapped potential of the North requires a transformation in infrastructure that delivers faster, more efficient, and reliable journeys. It also needs an increase in capacity to improve the resilience of the existing network and accommodate the increase in passenger, business, and freight demand that growth will bring. Furthermore, a resilient, reliable network with fast and frequent journeys is necessary to support and encourage the shift in travel choices needed to meet the requirement to achieve net zero carbon.

In this way the NPIER sets out a route whereby the North can be transformed such that in the long-term it becomes a net contributor to the UK economy.

The conclusions of the NPIER underpins the objectives of NPR with a focus on delivering outcomes designed to help address the current and likely future challenges facing the North:

- Increasing efficiency, reliability, integration, and resilience in the transport system
- Transforming economic performance
- Improving inclusivity, health, and access to opportunities for all
- Promoting and enhancing the built, historic, and natural environment.

Our work has ensured a consistent approach to developing NPR, one grounded in extending economic opportunity to all areas of the North. We have built ground-breaking tools and models that can fully reflect the wide ranging economic, social and environmental benefits arising from investment in NPR. For example, our work identified the clear benefits of integrating Bradford into the NPR network as a location in its own right, one that sits on a mainline. The TfN Board, having considered the evidence, agreed in 2017 that a new mainline between Manchester, Bradford and Leeds needed to be the foundation of the NPR network and at the heart of the integration of the North's economy.

That critical decision, formally agreed by the whole of the North, required compromise and a recognition of the wider benefits to the North and beyond of creating a new east-west link via Bradford. That position has been held consistently by the North since 2017 and is fully reflected in the statutory plan for the North, TfN's Strategic Transport Plan.

Analysis of TfN's NPR preferred network showed it will deliver an additional £14.4bn in gross value added (GVA) a year, including close to £5bn in economic benefit through increasing the agglomeration of businesses (all in 2060 prices). It would create over 129,000 new jobs across the UK, 73,000 of which will be in the North. It will unlock economic prosperity and regeneration opportunities right across the North and beyond.

As a direct result of the step-change in transport connectivity, the size of the accessible labour market across the North would increase significantly. NPR, as originally conceived, would increase the accessibility of multiple major northern cities and their higher skilled workforces. Almost 25 per cent of high-skilled workers in the North would be within 90 minutes of four or more northern cities with our preferred network. That equates to over 15 per cent more than with Transpennine Route Upgrade and HS2 alone.

The improvements realised by NPR as conceived will also contribute to the transformation in the quality of life for the residents in the North, by providing not just new jobs, but better access to a greater number of jobs, meaning people can make choices about where to live and work confident that there is a viable and sustainable travel choice available.

A Network Based Approach

Transport network performance in the North is a key constraint on economic development in the region. Ageing infrastructure, combined with lower than average investment, has left the North facing slow journeys by rail and road, insufficient capacity to accommodate further growth within the existing network, poor reliability, and bottlenecks across the rail network which drive a low frequency of rail services and affect the resilience of the network.

The practical implication of these constraints is all too visible in the poor economic performance of places across the North. As the NPIER set out so clearly, unleashing the economic potential of the North requires a network-based approach, one in which the options for individual locations are considered in an integrated way so as to ensure there is a step-change in service across the North. Such considerations are all the more relevant when if the full potential of economic initiatives, such as freeports, are to be realised. With some 25% of all freight movements either having a start or end point within the North, such considerations are of national significance.

The North has one of only three officially designated 'congested infrastructure' rail hotspots – the Castlefield corridor¹ – which faces comparable issues to some of those once faced by the Thameslink corridor. Knock-on operational delays and cancellations are felt across the North (and beyond) from this hotspot due to the fundamental mismatch between the demand for train paths and the capacity available.

Across the Pennines, notwithstanding the completion of recent investments in Leeds Station, it too remains a key bottleneck on the national rail network, one that is on a scale with the delays incurred by the constraints in the Birmingham area.

Crowding is also a feature of the North's rail network, particularly given that trains in the North have fewer carriages compared to train services across other

¹ Network Rail, Castlefield Corridor Congested Infrastructure Report, 2019 ([link](#))

parts of the UK. Despite being significantly larger markets, there are about 40% fewer seats between Manchester and Leeds than between Glasgow and Edinburgh which are separated by a similar distance².

Right across the North the evidence is clear; the key issue is the need to increase capacity – to improve resilience and to support economic growth. The North's Victorian legacy of a predominantly two-track railway – one that has to accommodate the competing and differing needs of long-distance, regional, local and freight services. In such circumstances attempts to increase the speed of some services in isolation of investment in additional capacity will result in perverse outcomes: less resilient infrastructure and less reliable services, less overall capacity.

It is through having a deep and meaningful understanding of its rail network and how it operates that Transport for the North concluded that investing in additional capacity has to be at the heart of the investment programme required to unlock the North's economic potential.

In arriving at its preferred NPR network, the TfN Board scrutinised the performance of different options. Having considered the evidence, the TfN Board concluded that its preferred network best delivers against the agreed objectives for project in support of the Political and Business leaders' ambition for the North.

Crucially, we have worked with Network Rail and others throughout the process to ensure that TfN's NPR proposals are operationally viable, deliverable and integrated with other proposals. We are yet to see comparable evidence that Government's proposals are similarly feasible. The IRP appears to fragment network enhancement rather than deliver a cohesive plan for the North and Midlands – separating East Coast Mainline improvements from other schemes and further isolating Bradford from Manchester and the North-West. Hull is omitted from the IRP altogether, despite being a fundamental part of NPR, a clear candidate for early delivery and featuring in all the scenarios put forward by the NIC. Integration appears limited to the "bolting together" of TransPennine Route Upgrade, NPR and West Yorkshire Mass Transit schemes in an attempt to deliver cost reduction but in so doing the outcome is likely to reduced capacity and slower economic growth than might otherwise be realised.

Investment in adding capacity through the construction of new lines helps minimise the lengthy disruption to the travelling public and freight services that is inevitable with rail upgrades.

Disruption should not be viewed as a temporary inconvenience on the timeline to improvements. The original proposals for upgrading the Trans-Pennine Route require extensive and prolonged blockades for several years. Whilst the expansion of the scope for the upgrade is welcomed by TfN, in the absence of the investment in an entirely new route between Manchester and Leeds, the scale and duration of the disruption to this key corridor will be extended considerably.

Unless grounded in a network-based approach the proposals set out in the IRP are likely to perpetuate the poor travel conditions already experienced in the North for longer than might otherwise have been the case. Not only is this likely to slow the realisation of 'levelling-up' across the North, it's also likely to hamper

² Transport for the North Internal Analysis

efforts to achieve the growth in sustainable travel choices necessary to achieve the legal requirements on net-zero carbon.

TfN accepts that there is a need, following the pandemic, to ensure that the finances of the rail sector are on a sustainable footing. However, in looking to the future it is essential to ensure that decisions are based on an understanding of the changes that have taken place in the rail market.

Prior to the recent impact of the Omicron variant, Northern had seen revenue at 95% of pre-COVID levels and demand for some periods at 85%. TransPennine Express has indicated that leisure travel had been at 89% of pre-COVID levels. The evidence is clear: recovery of the rail market in the North has been consistently stronger and faster than the picture presented by national figures and that needs to shape the allocation of future investment.

Passenger growth in the North has been stronger than the national average and much stronger than in traditional rail markets serving London and the South-East. This is in part a consequence of the North having a lower proportion of its population who are able to work from home (per Centre for Cities analysis³). In parallel, demand for rail freight paths has also recovered across the North, in many cases back to 100%+ of pre-pandemic levels.

If one follows the evidence and adopts a market-led approach, then it is clear that the challenges facing the North's rail network pre-pandemic have returned faster than elsewhere. The case for the making the step change in capacity envisaged by NPR, and as set out by Transport for the North, remains robust.

Decision making and the implications for "levelling up"

The Integrated Rail Plan as published does not quantify the benefits of its proposals and the technical evidence underpinning the decisions made therein continues to be unavailable for review. But what is clear is that the IRP has unilaterally changed the policy context.

Over the past 5 years, TfN and the DfT had progressed the development of NPR proposals based on underpinning efforts to "level up" the North. We had shared objectives and agreed with the aspirational journey times and train frequencies set out in the 2015 Northern Transport Strategy and the One North report⁴ described as necessary to transform the economic performance of the North. That broad-based thinking was also reflected in the approach to the Rail Needs Assessment undertaken in 2020.

The published IRP appears to have moved away from an approach focused on how to "level up" communities across the North to one wherein decisions on the future of UK infrastructure based simply on affordability and benefit cost ratios. The version of NPR as presented in the Integrated Rail Plan favours investment in the most productive parts of the North. This runs counter to the stated ambition of Government to "level up" areas and risks a second east-west divide in prosperity and productivity.

The TfN Board has consistently set out the importance of having a financial envelope within which it is required to prepare its advice to Government on

³ Centre for Cities, How will Coronavirus affect jobs in different parts of the country? ([link](#))

⁴ Department for Transport and Transport for the North, *The Northern Powerhouse: One Agenda, One Economy, One North*, 2015 ([link](#)).

investment priorities. As experienced Political and Business leaders the Board members are acutely aware of the need to consider issues of affordability.

The TfN Board has consistently made the point that to have a funding envelope would have enabled mature conversations at the Board and more robust advice to Government.

And yet despite being part of a co-clienting arrangement on Northern Powerhouse Rail, at no point was the Board made aware of an affordability constraint being set for NPR.

Only during the Rail Needs Assessment process did issues around affordability begin to emerge. The TfN Board warned Government in the summer of 2020 that setting the National Infrastructure Commission a constrained funding envelope for rail investment (and not specifying how budgets would be allocated) would inevitably lead to the Rail Needs Assessment becoming about rationing of investment and not about how to best to integrate NPR and HS2.

And so it proved, with the rising costs of HS2 to Birmingham reducing the available budget for HS2 Phase 2b and NPR. This meant that the Commission's wide ranging and comprehensive assessment was compromised in the options it was able to present to Government.

It is a concern of the TfN Board that a similar situation may arise with the IRP as published: in particular there is a concern that cost variations on initial elements of the IRP may result in latter elements being reduced in scope or even potentially deferred: such an approach is not consistent with adopting a network-based approach.

Notwithstanding the absence of a funding envelope being provided by Government, the TfN Board developed a series of network options which sought to deliver the most against the objectives while still representing value for money. This required the TfN Board to make compromises as it actively sought to reduce costs in order to secure benefits for the wider North (for example removing expensive additional changes to the HS2 Eastern leg that would have enabled NPR services from Sheffield to be routed through Leeds instead of terminating at the HS2 station, or ruling out new line options between Manchester and Sheffield, as well as Leeds and Newcastle).

TfN has consistently used the accumulated experience and knowledge within its NPR team to continually challenge the rail industry's costs in a way that has not been the case on rail projects.

Our rigorous focus on costs has already secured a £4bn cost reduction on Network Rail's initial assured costs. These are real savings, not theoretical ones, and the £4 billion cost reduction has already been accepted by Network Rail and the DfT. A further c.£5bn of reductions on TfN's preferred network has also been identified and had been under review in parallel to the preparation of the IRP.

TfN's approach has demonstrated the added value of having an experienced and knowledgeable co-client, one who is one-step removed from the day-to-day workings of the rail industry. To deliver the greatest benefits to communities in the North, it is vital that we and Government continue to work together to challenge the industry and drive down costs. The TfN Board sees this as a way of not only achieving better value for money for the taxpayer but as a means of

enabling the funding identified for the North being able to fund more delivery on the ground.

This Government set out that it “wants to deliver an infrastructure revolution: a radical improvement in the quality of the UK’s infrastructure to help level up the country... and put the UK on the path to net zero emissions by 2050.”⁵ We are agreed on the need to achieve a step change in rail to deliver economic, environmental and social policy aims. We are also committed to making sure we use this investment opportunity to improve the way we plan, develop and deliver major infrastructure projects.

It is imperative that rail infrastructure improvements take a network approach that addresses economic imbalance across the North. The timetable fiasco of 2018 highlighted the vulnerability of rail networks in the North to disruption and poor planning. Our subsequent work as a partner in the Manchester Recovery Task Force has served to emphasise the importance of understanding the operational implications of decisions on infrastructure investment.

We have yet to see the evidence that can reassure the North’s residents and businesses that the proposals in the IRP result in an operational network with sufficient capacity to deliver the reliable and resilient network necessary for economic transformation and modal shift.

The Way Forward

Despite the disappointment and on-going concerns raised by the publication of the IRP, the TfN Board has been unanimous in seeking a constructive way forward whilst being clear about the economic and environmental implications of the Government’s plan.

The TfN Board’s statutory advice to Government in its initial response to the IRP focused on the need to achieve a step change in rail to achieve better outcomes for passengers and freight, and to facilitate economic transformation. As well as the limitations of trying to upgrade the existing network, our collective experience suggests that upgrades often underestimate the time required and cost of the works. It is worth reflecting on the lessons learnt from WCML upgrade after which the rail sector concluded that it shouldn’t attempt open heart surgery whilst try to keep the trains running.

Given the recovery in rail demand seen in the North, it is clear that the challenges which led the TfN Board to conclude their preferred NPR network as being the one required are already back with us. the No’th’s rail network will quickly return to the issues of constraints on capacity, unreliable services and a network that lacks operational resilience.

The speeds that can be achieved by rail services are a key attractor when making travel choices. However, the North’s rail network – even with the investment set out in the IRP – will remain inherently a two-track, piece of Victorian infrastructure. Add in the complexity of trying to manage the differing requirements of long-distance, regional, local and freight services and it is likely that the IRP’s focus on upgrading existing rail corridors, is unlikely to realise the step change in connectivity identified by NPIER.

⁵ HM Treasury, National Infrastructure Strategy, 2020. ([link](#))

TfN's work to develop a ground-breaking regional decarbonisation strategy has served to identify the criticality of providing additional rail capacity to meet the legal obligations on the UK in terms of net-zero.

Our initial statutory advice in response to the publication of the IRP sets out the very clear next steps:

- The TfN Board wants to work with Government to explore how future phases of NPR can be brought forward and key elements of the NPR preferred network brought back into consideration. The TfN Board is willing to look at local contributions, if required, to unlock the full potential of NPR.
- If we are to achieve policy outcomes that are place based and user-centred, then we have to ensure that the welcome changes in the Green Book translate into better decision making on public sector investment. The IRP is a significant backwards step in the quality and over-centralisation of decision making. We want to work with Government on the approach to decision making using the advanced analytical capability which has been funded by DfT and has much wider application for other STBs and LTAs.
- Thirdly, the critical importance of Government defining a funding envelope for the North, ideally across transport modes and multiple spending review periods in line with the National Infrastructure Plan. Our statutory advice on investment options for Government, as well as the new Strategic Transport Plan would be significantly more effective with the clarity of a defined budget.

We look forward to discussing the IRP further with the Committee in February.

Martin Tugwell
Chief Executive
Transport for the North

IRP Sponsorship Principles**1. Purpose:**

- 1.1 This paper provides information on the potential role which TfN could play as co-sponsor for NPR (Phase 1) and sets out some suggested key principles that TfN suggest might be used to shape the development of Terms of Reference.

2. Background:

- 2.1 In January 2021 this Board discussed potential future delivery model options for NPR for presentation in the NPR Strategic Outline Case, which at that time was to be completed in March 2021.
- 2.2 This Board resolved to:
- Agree the need for an NPR network-wide delivery approach consisting of a single NPR programme; and
 - Agree that the SOC should recommend that TfN has a continued role as co-sponsor.
- 2.3 The January 2021 Board paper set out that TfN recommends that DfT and TfN have 'joint responsibility for the overall programme-level business case and strategic direction. This will be underpinned by a role for both parties within the formal programme governance.'
- 2.4 While the Board paper was primarily aimed at how to present delivery models in the SOC while waiting for the IRP, a role for TfN as sponsor was included in the statutory advice to government, as well as in public statements.
- 2.5 In January 2021, discussion on the delivery models would have been predicated on developing an SOC through the existing co-clienting model, and on an NPR network based on initial preferred route options shortlisted by both Transport for the North and DfT. This Board would have expected further discussion on the delivery model as the terms of reference for the IRP set out the intention for:
- "exploring options for new delivery vehicles with northern leaders for the relevant rail enhancements including new lines that may form part of the delivery of HS2 and Northern Powerhouse Rail."*
- 2.6 Paragraph 5.26 within the IRP sets out that:
- "In finalising the Strategic Outline Case and moving forward into delivery, the NPR Programme will move to a different phase of development. As such, the current sponsorship model will need to evolve. In line with TfN's own recommendations, the Department and Transport for the North will continue to co-sponsor NPR, but the clienting of Network Rail, HS2 Ltd and other delivery partners will be managed in a single team. That team will need to be answerable to the Secretary of State for Transport to streamline relationships,*

create efficiencies and provide clarity on the roles and responsibilities for the two sponsors while ensuring the North can still provide strategic advice on the direction and outcomes for NPR.”

- 2.7 Following publication of the IRP, a letter from DfT sent to Transport for the North set out that “DfT intends to assume immediate and full responsibility for finalising the NPR Strategic Outline Case (SOC).”
- 2.8 Correspondence from DfT officials confirms that *“the precise terms of the sponsorship agreement will need to be discussed and agreed, but the outcome sought is a single programme client guided by a sponsor board of DfT and TfN representatives.”* This paper sets out some of the key issues for TfN in co-sponsorship and possible priorities for TfN in agreeing to co-sponsorship.

3. Defining sponsorship

- 3.1 In developing our initial thinking on potential delivery models for NPR, 5 horizons were considered:
1. Funder
 2. Sponsorship & strategy
 3. Client body (or bodies)
 4. Delivery body (or bodies)
 5. Supply chain

Further details on each are provided in Appendix A.

- 3.2 In summary, the distinction between sponsor and client roles are that
- **the sponsor is the customer for the work:** defining the objectives of the programme and responsible for the programme strategy to ensure that the objectives are met, including defining projects to achieve the desired outcomes and changing the projects if the outcomes aren't being met.
 - **the client manages the programme,** including performance of the delivery body (or bodies), to the requirements set by the sponsor.
- 3.3 The Secretary of State for Transport and government will, as **funder**, remain the final and sole decision maker on the objectives of the programme, and how it should be achieved (and through which projects). Therefore, the sponsorship role is primarily an advisory one to Ministers rather than one of a decision-maker (whilst anticipating a future role for local contributions).
- 3.4 Co-sponsorship provides an opportunity to ensure that funding and strategy decisions about transport in the North are informed by local knowledge and requirements.

4. A Potential Co-sponsorship Model

- 4.1 Key factors of defining a delivery model include the governance model (including decision making and risk management), information flow and organisational design.
- 4.2 **Governance:** The most important role of co-sponsorship will be a formal role within the NPR programme governance for TfN. We would

expect that day-to-day decisions on managing delivery would be taken by the client function, utilising an appropriate level of organisational governance. However, we would expect that major advice and decisions on the scope, timing, phasing of the overall programme would require agreement with TfN. This would ensure that Northern leaders have a collective say on any significant changes to the programme.

4.3 **Information flow:** the co-sponsorship role will require a close working relationship with DfT to share information. As set out in 'Lessons from Transport for the sponsorship of major projects'¹, co-sponsorship requires careful design and operation. For co-sponsorship to be successful, there must be agreed processes to share information across organisations and to ensure decision-makers are fully informed. The successful Rail North Partnership model uses "dual badging" of officers as both TfN and DfT, enabling visibility of both parties' information and advice to ministers.

4.4 **Organisation and capabilities:** The TfN team required would likely be a combination of:

- Secretariat function: to manage the interface with the TfN Board and Executive Board by drafting papers / sharing information / organising briefings.
- Engagement function: to continue our working level relationships across local and combined authorities in order to understand partners' issues and concerns.
- Technical and analytical capability: to review proposed changes, evaluate whether the programme will achieve the objectives, and to provide informed advice to the TfN leadership and TfN Board (eg on programme business case, benefits realisation plan etc).

4.5 The current NPR programme team have provided oversight of the delivery bodies while also undertaking certain additional functions which might classically be considered a sponsorship role:

- acting as custodian of the aspirational journey times and train frequencies (the "NPR conditional outputs");
- developing the approach to, and proposals for, phasing and sequencing of the programme;
- establishment of appropriate governance structures to oversee delivery;
- strategic integration with wider policies/goals and other infrastructure proposals
- preparation of advice to decision makers

¹ Lessons from Transport for the sponsorship of major projects, DfT / IPA, April 2019

- 4.6 Both the sponsor and client functions contain oversight roles, covering different parts of the delivery model. The sponsor must satisfy themselves (and on behalf to the funder) that the client is appropriately managing the programme and that the programme benefits will be delivered and on time and to budget. The client team must proactively manage the delivery bodies to ensure alignment of activity to the strategy and requirements, and that the programme outputs will be delivered on time and to budget. While functions may be mirrored, it is imperative that roles are sufficiently defined to provide the appropriate levels of (re)assurance without the creation of shadow functions.
- 4.7 This suggests that decisions on the sponsorship role cannot be separated from the design of the clienting function. Noting IPA routemap advice on ensuring adequate consideration is given to the establishment/building of new capabilities at times of transition, there may be a need for interim arrangements if a satisfactory plan for transition arrangements cannot be put in place in time.
- 4.8 Transport for the North Board will therefore want to understand the nature of the proposed client function before decisions can be made on the remit and capabilities required to support co-sponsorship arrangements.

5. Co-Sponsor Board: Suggested Principles

- 5.1 TfN Executive have proposed the following principles for how the Sponsor Board would operate:
- 5.1.1 The TfN Board (Members) will need to consider, and agree, a detailed proposal for the structure and Terms of Reference for the Sponsor Board.
- 5.1.2 The Sponsor Board needs to be jointly owned by both DfT and TfN, building on the example of the existing joint working arrangement (the Rail North Partnership), experience of which should be used to help shape the structure and Terms of Reference. The RNP is a tried and tested model through which TfN and DfT discuss and agree commercially sensitive issues in an efficient/effective manner whilst recognising that ultimately the DfT is single funder. The RNP model demonstrates how a jointly owned governance framework with a single funder can operate.
- 5.1.3 The Terms of Reference should make it clear where/when the output feeds into and how the views of the co-sponsors will be reflected in the output. In order for the Sponsor Board to have credibility it must be able to constructively check and challenge the work undertaken at the programme board level in order for its advice to be robust.
- 5.1.4 There should be some mechanism for TfN (as co-sponsor) to engage with Department officials in the preparation of the advice to the funder. Whilst both DfT and TfN would seek to minimise escalating

issues from the Board to funders, it should be clear how unresolved issues would be jointly escalated when required.

- 5.1.5 In the spirit of joint ownership, it would be appropriate to have Joint Chairs – one a DfT official, the other a TfN officer. Chairing of meetings should alternate between the Joint Chairs (reflecting the current arrangement for chairing Rail North partnership Board). As a jointly owned Board, meetings should alternate between DfT and TfN venues. The agenda for each meeting should be prepared and agreed by the Joint Chairs
- 5.1.6 In addition to receiving issues escalated from individual Programme Boards, each partner must have the ability to request items for inclusion on the agenda. As co-sponsors there must be regular and on-going dialogue between TfN and DfT officials over and above any discussions at Sponsor Board and with the Sponsor Board having good visibility of the issues going to Programme Board.
- 5.1.7 TfN’s assumption – based on the IRP – is that there will be several programme boards operating to oversee the implementation of the IRP (including the delivery of the Trans Pennine Route Upgrade). On that basis TfN and DfT should both be members of each individual programme board (including TRU) in addition to being members of the Sponsor Board. As above, membership of the individual programme boards increases the opportunity to help resolve issues sooner and without the need for escalation to the Sponsor Board
- 5.1.8 The members of the Sponsor Board should be a limited number of representatives from TfN and DfT (suggestion 3 from both parties – which mirrors the Rail North Partnership Board). Whilst others may be invited to attend meetings of the Board (such as delivery bodies, technical advisors and other OGDs) these should be attendees (not members) of the Board
- 5.1.9 A key function of the Sponsor Board should be to agree/endorse the overall Business Case (including key outputs) for both the IRP and individual components: the Board’s agreement/endorsement would be used as supporting evidence as DfT take the Business Case(s) through Government approval processes.

6. Background Papers

None.

7. Appendices

- 7.1 Appendix A – 5 horizons of delivery model

Glossary of terms, abbreviations and acronyms used (if applicable)

Please include any technical abbreviations and acronyms used in the report in this section. (Please see examples below.) This will provide an easy reference point for the reader for any abbreviations and acronyms that are used in the report.

Glossary of terms, abbreviations and acronyms used (<i>if applicable</i>)

5 horizons of delivery model

In developing our initial thinking on potential delivery models for NPR, we have, based on good practice, considered the model across five different levels. These are:

1. **Funder:** provides required funding to deliver the proposed scheme.
2. **Sponsorship and Strategy:** effectively the overall customer for the work. They are responsible for:
 - a. setting the objectives of what needs to be achieved (i.e. proposed outputs or outcomes)
 - b. setting of programme strategy to secure the realisation of the programme outcomes. This could involve altering or substituting projects in the programme where there is a risk to outcome delivery. Role extends beyond delivery to ensure long-term benefits realisation.
 - c. responsible for working with stakeholders to specify requirements to meet the desired outcomes and translating the requirements into deliverable projects.
 - d. the commissioning of a 'client function' to oversee delivery.
 - e. puts in place associated governance structures to oversee delivery.
 - f. A key stakeholder relationship is upwards to the funder, the sponsor reviews progress and risks to advise decision makers on the confidence they have in the projected returns.
3. **Client body(ies):** responsible for managing delivery organisations ensuring the delivery of the sponsor's requirements. Ensures that individual projects are delivered to meet the requirements, using appropriate project tracking and reporting approaches, and that projects are coordinated / aligned to deliver the agreed outcomes and benefits. Responsible for managing project integration and for the long-term tracking of benefits. The division of activities undertaken by the client body can extend beyond management depending on the scope of capabilities. This is where we might expect the challenger function to sit as part of effective oversight – challenging the delivery bodies on efficiency and pace.
4. **Delivery bodies:** responsible for procuring and delivering specific projects, on time and to agreed budgets, on behalf of the Client Body(ies).
5. **Supply chain:** responsible for delivering specific work packages for the Delivery Body.

Transport for the North: Future Operating Model**1. Context**

- 1.1 The publication of the Integrated Rail Plan and Government's decision to put in place new working arrangements for the next stage of Northern Powerhouse Rail (Phase 1) requires the TfN executive to undergo its own transition to ensure it remains fit for purpose.
- 1.2 Notwithstanding the change in working arrangements in relation to the development and delivery of NPR (Phase 1), the statutory role and responsibilities of TfN (as Sub-national Transport Body) are unchanged.
- 1.3 These are written in such a way as to enable TfN (and its partners) to consider the transport system in the round and focus on:
 - Issues and investment proposals that go beyond local authority boundaries
 - Issues that are of common interest and where a collaborative approach enables solutions to be developed and implemented in a timely and cost-effective manner
 - Influencing and shaping processes and programmes that operate at the national level
- 1.4 TfN is also empowered to put forward proposals as to how to improve the effectiveness and efficiency of the transport system: this includes the power to put forward specific proposals for further devolution to the Secretary of State for their consideration.

2. Core Strategic Narrative

- 2.1 The key drivers for the work of TfN remain undiminished, namely:
 - Realising the economic potential of the North – the extent of which was first established through the publication of the Northern Powerhouse Independent Economic Review
 - Enabling development that is sustainable for the long term – emphasised by the legal requirement to achieve net zero carbon
 - Addressing the extent to which transport acts as a barrier to individuals realising their potential
- 2.2 Explicit within the key drivers is the central role that investment in the North's transport system (both infrastructure and services) has to play, specifically there is a need for:
 - **A Strategy:** an outcome focused long-term strategic plan for the development of the North's transport system
 - **An Investment Programme** - a prioritised programme that provides the context for the development and delivery of detailed proposals as a co-ordinated programme focused on delivering the agreed outcomes

- **Implementation** – investing in the capacity and capability required to develop and then accelerate implementation of the Strategy and its Investment Programme
- 2.3 In order for the work of TfN to remain evidence-based, and vision-led it is essential to:
- Maintain and develop the Regional Evidence Base – a common baseline, available to all partners and which ensures a consistent foundation upon which policies and proposals are developed
 - Agree on the strategic outcomes sought – with a focus on place and expressed in terms of improved connectivity of people and places with services and opportunities
 - Identify the scale of change required – harnessing state of the art modelling tools, and analytical frameworks developed by TfN
 - Identify the need for intervention – working with partners to develop Strategic Outline Cases, being mindful that transport interventions are part of the wider strategic infrastructure system
 - Identify a programme of investment requirements that in combination deliver the agreed strategic outcomes – supporting partners and delivery agencies as they develop detailed proposals to be taken forward into delivery
- 2.4 The added value provided by TfN in this context is to be:
- A centre of technical excellence for the North – holding and collating information and analytical tools that are available to all partners
 - A source of trusted information – commissioning technical work, the outputs of which are available to TfN partners, and which is then used to shape and inform debate in the North and nationally
 - A strategic thought leader:
 - Sector specific – for example freight and logistics, ev-infrastructure
 - Systems thinking – alignment of activity across policy areas to support realisation of agreed strategic outcomes, i.e. aligning transport, energy systems and digital connectivity
 - An enabler of accelerated delivery – making the case for managing delivery of the Investment Pipeline as a managed programme (seeking a simplification of, and reduction in processes)
 - A representative voice of the North – and through the Northern Transport Charter strengthening the case for greater devolution to the North’s Leaders.
- 3. Opportunities for TfN**
- Strategic Thought Leadership*
- 3.1 The need to review and update the Strategic Transport Plan offers the opportunity for TfN to consider in greater detail:

- The need to reduce the environmental impact of transport – not just in terms of decarbonisation, but also air quality
 - The extent to which transport remains a barrier for individuals – TfN’s work on Transport Related Social Exclusion will assist here
 - The importance of ensuring that transport solutions reflect the diversity within our society
 - The needs of an aging society; a reflection of how supporting individuals to maintain independent living has the potential to reduce demand for social care and health services
 - How the shift away from ‘owning’ transport to ‘accessing’ transport services provides an opportunity to do things differently
- 3.2 The review of the Plan also provides the opportunity to reflect on, and take account of, changes across wider society, including:
- Acceleration in the growth of e-services and e-retail – which have implications for travel demand, as well as creating opportunities to repurpose town/city centres, leading to further change in demand
 - Increased emphasis on the importance of digital connectivity (for business and personal use) – the widespread adoption of flexible/hybrid working is both changing travel demand in absolute terms, and its distribution over the course of the average day.
 - Changes in the business models for all the main travel modes – electrification of road vehicles impacting on revenues raised through Vehicle Excise Duty and fuel duty: changes in the time of travel on trains impacting on passenger revenues: continuing challenges with the viability of bus services in less densely populated areas.

The Investment Pipeline

- 3.3 TfN’s ongoing work in relation to the Investment Programme Benefits Assessment (IPBA) will provide the basis for adopting a programme-based approach to the planning, development, and delivery of strategic infrastructure. Such an approach would be consistent with the most recent advice of the National Infrastructure Commission which advocates the need for simplification of investment programmes.
- 3.4 A key component of the Northern Transport Charter is the call for a devolved budget for the North. This will enable the Board to prioritise within a financial framework and work with partners to ensure that transport solutions are affordable and deliverable.

National Investment Programmes

- 3.5 A key statutory role for TfN will continue to be to advise Government on strategic rail and road priorities. This will require TfN to continue to work with its partners and national delivery agencies to ensure the North’s needs shape national investment programmes (e.g. National Highways Road Investment Strategy, Network Rail’s Rail Network Enhancement Programme).

- 3.6 For the period covered by the 3-year Business Strategy this will include making provision for inputting into RIS3 (for National Highways) and CP7 (for Network Rail).
- 3.7 TfN already had specific (statutory) responsibilities with regards to the rail sector. These are discharged through a combination of the work of the Rail North Committee and the Rail North Partnership.
- 3.8 Whilst the Williams-Shapps Plan for Rail is largely silent on the relationship between Great British Railways (GBR) and TfN, we are working closely with the rail sector and the GBR Transition Team to develop a proposition for the North that builds on TfN's existing statutory role. In this we should draw on examples of existing local devolution (e.g. Merseyrail).

Implementation

- 3.9 TfN is not primarily a delivery body in its own right: infrastructure owners will continue to be responsible for the detailed development of specific proposals and for securing the necessary permissions.
- 3.10 However, having prepared the Strategic Transport Plan there is a key role for TfN to play in:
- Agreeing the scope of work commissioned from infrastructure owners – using TfN's accumulated knowledge and experience to better inform the work of national infrastructure owners
 - Using TfN's modelling tools and analytical frameworks in the development of detailed proposals – ensuring consistency with the Strategic Transport Plan and reducing the need for external support
 - Acting as an external challenge during the development of detailed proposals – apply TfN's capabilities to challenge costs and limit scope creep
- 3.11 Such an approach requires TfN to have the capability and capacity to support DfT in commissioning works, and where appropriate TfN having an explicit role in the governance arrangements. This could include role(s) as co-client and/or co-sponsor.
- 3.12 With increasing emphasis on the importance of addressing barriers to delivery, TfN should look to strengthen its working relationship with DfT's Acceleration Unit, with a view to enabling the benefits of its work to be rolled out more widely. It should also look to use the opportunity created by the Northern Transport Acceleration Council to harness the Secretary of State's commitment to remove barriers to delivery.

4. A Systems Approach

- 4.1 TfN's work on the Strategic Transport Plan has been shaped by the need to improve connectivity: moving forward improving connectivity will comprise both the physical and virtual worlds.
- 4.2 At the same time, electrification of the transport system increases the importance of aligning investment in transport with that in the country's energy systems. The regulatory framework governing

investment in energy systems operates at the national level; TfN's work on ev-infrastructure/alternative fuels could form a basis for engaging on this issue nationally.

- 4.3 In a similar vein, realising the potential of innovation in the transport system is dependent upon the availability of ubiquitous digital connectivity – whether it be in terms of enabling users to gain access to information, or service providers being able to deploy new products.
- 4.4 Where this leads to is the recognition that in looking at the future of the transport system it is essential to adopt a systems approach – one that looks at transport, digital and energy infrastructure in the round.
- 4.5 This is not to suggest that TfN is the only body which has an interest in or could have a role in adopting a systems approach. However, given TfN's statutory role as the strategic transport body for the North there is a need to consider how it might contribute to such an outcome.

5. Transition

- 5.1 The statutory role of TfN as a Sub-national Transport Body remains unchanged. The essence of its work likewise remains unchanged.
- 5.2 The focus set out in this paper provides the basis for guiding the transition of the TfN executive that is required due to the change in working arrangements associated with Northern Powerhouse Rail (Phase 1).
- 5.3 Whilst this paper provides the basis for focusing the activities of the TfN executive, the scale of those activities will be dependent upon the level of core funding available.
- 5.4 There will also be a need to take account of the role the TfN executive has in providing leadership across the seven STBs on the development of the Common Appraisal Framework: a reflection of TfN's leadership on modelling tools and analytical capability.

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Meeting:	Transport for North Board
Subject:	Budget and Business Planning
Authors:	Iain Craven (Finance Director) and Paul Kelly (Financial Controller)
Sponsor:	Martin Tugwell (CEO)
Meeting Date:	Tuesday 25 January 2022

1. Purpose of the Report:

- 1.1 This report sets out the current position with regard to Transport for the North's (TfN) funding position for 2022/23, and the consequential impacts on business planning, budgeting, and the organisation more broadly.
- 1.2 Further, it presents the financial performance of TfN over the first nine months of the financial year 2021/22 and provides the Budget Revision 3 reforecast through to the end of the year.
- 1.3 Finally, it provides a summary update on the current corporate risk position, notes the need for a substantial revision of the document once the impacts of the NPR transition and funding allocation on TfN's objectives are understood, and proposes the deferral of the next Corporate Risk Register report until these matters are resolved at the March Board.

2. Recommendations:

- 2.1 **Note** the current uncertainty in relation to TfN's financial position and the steps taken in mitigation;
- 2.2 **Approve** that TfN **commence** and **complete** the required TUPE process with the DfT in relation to posts funded through Transport Development fund;
- 2.3 **Consider** and **note** the financial performance in the nine-month period to December 2021 and **approve** Revision 3 Budget;
- 2.4 **Note** the current risk position and **approve** the deferral of the Corporate Risk Register report until the Board meeting in June 2022.

3. 2022/23 Funding position

- 3.1 Item 6 on the 24 November 2021 Board agenda (Funding & Business Planning 2022/23 Update) noted that TfN's Spending Review submission had set out the importance of receiving early notification of our funding allocation. Unfortunately, as at the time of writing this has not been forthcoming, meaning that TfN does not know what its Core funding position will be for the new financial year starting on 1 April 2022.
- 3.2 The November 2021 report set out the uncertainties that TfN faced (and continues to face) in relation to its funding for 2022/23. Whilst the publication of the IRP has provided some certainty around the direction of travel, the practical consequences of this for TfN are still not understood. Significant matters that remain to be confirmed include cover for NPR programme wind-down costs, the extent of ongoing TfN involvement in programme development through co-sponsorship and analytical support, and the availability and quantum of additional funding over and above the Core allocation to support these activities.

3.3 Whilst TfN has undertaken a prioritisation exercise in line with the objectives previously agreed by the Board within the Spending Review submission, it is not practical to take this any further. TfN currently has no basis upon which to make meaningful planning assumptions that wouldn't be likely to create significant issues within the organisation.

Process to Date

- 3.4 TfN officers have been engaging with DfT officials up to the most senior levels with regard to our funding position. This has been ongoing since before our submission to the Spending Review on 9 September. Further detailed information with regard to TfN's financial position was provided at the DfT's request in December and early January. We understand that a submission to ministers regarding TfN funding was due to be submitted w/c 10 January.
- 3.5 In our submissions to the department, it has been made clear that the mitigations that allowed TfN to manage the 40% cut to its Core funding allocation in 2021/22 are no longer available to us and, as a consequence, holding our Core funding at the reduced 2021/22 level would result in the need for TfN to reduce its current operational expenditure by about a third. This would have direct consequences for TfN's ability to undertake its programme of activity and discharge its functions on behalf of the North.
- 3.6 Officers, led by the CEO, are working with DfT officials to effect the transition of the NPR programme to its future state, as indicated in the IRP in November. However, whilst progress is being made, a detailed service specification has not been provided and it appears unlikely that this transfer, or the associated collateral activity, will be completed before the start of the new financial year.
- 3.7 Once the detailed service specification is received from DfT, the necessary TUPE process will commence through to its conclusion. This relates to those posts supporting the NPR Programme and funded through the Transport Development Fund (TDF).
- 3.8 In the meantime, DfT has requested TfN second two employees to support SOBC development to align with the IRP and co-ordinate policy, infrastructure and analytical inputs into an integrated programme plan. This request is currently being worked through on the basis of enabling the secondments to happen.

Impacts of the Funding Delay

- 3.9 TfN is communicating with its staff, employee forum and trade union representatives to keep them informed of progress in relation to our Core funding and the NPR Transition. Current indications are that staff morale is low, and that the ongoing uncertainties are having an increasingly disruptive impact on the organisation.
- 3.10 As members are aware, TfN is required to have a fully funded and approved budget in place before the start of the new financial year. As virtually all TfN expenditure is funded by DfT grant, producing a meaningful business plan and associated budget in the absence of a funding settlement is not possible. Whilst every effort will be made to produce a fully worked up and robust business plan and budget for approval at the 30 March 2022 Board meeting, it may be necessary to produce an interim plan and budget that can then be refined in due course.
- 3.11 TfN's reserves are forecasted to total £4.2m at 31 March 2022. Reserves at this level, representing approximately 40% of our 2021/22 Core expenditure, provide comfort that TfN is not at immediate financial risk. However, drawing upon these reserves to manage delays and uncertainty in transitioning to a post-NPR model and a new (hopefully three year) funding environment means that there will be less money available to support future activity.

3.12 Should TfN receive a reduced Core budget allocation, there may be a need to review its corporate objectives, priorities and organisational design, and to undertake a downsizing programme which may require workforce reductions/compulsory redundancies. As requested in the letter from UNISON sent in November 2021 to the TfN Chair and TfN Board Members, if workforce reductions are required, all necessary best practice people processes will be implemented in accordance with TfN’s Security of Employment Policy, including a review of vacant posts and implementation of a voluntary redundancy process.

Next Steps

3.13 TfN officers will continue to engage with the Department with the intention of gaining clarity on the Core funding allocation at the earliest possible opportunity.

3.14 In parallel, we will continue to work with the department to agree and manage the transition to the new NPR arrangements under the IRP. This will include the level of activity that will continue within TfN and the mechanism by which this will be funded. Given that ongoing co-sponsorship and TAME responsibilities could run to substantial sums, in reality we need resolution to both 3.13 and 3.14 before the budget can be finalised.

3.15 An internal working group has been established within the organisation, led by the CEO to manage the business planning and budgeting process once funding certainty has been achieved. This approach was adopted to develop this year’s budget and business plan and should allow the organisation to move at pace once the funding allocation is received.

3.16 To address the challenges created by the January 2021 funding allocation letter, a member working group was established. This acted as a sounding board for officers in the development of the business plan and allowed potentially difficult issues to be discussed in detail. Depending on the timing and substance of the funding announcement, it may be necessary to establish a similar group, although this may be manageable through the General Purposes Committee.

4. Year-to-date monitoring

4.1 The table below summarises the nine-month period ending December 2021. TfN monitors performance against its committed (net) budget.

	21/22 YTD Budget £m	21/22 YTD Actual £m	Var £m	Var %
Programmes:				
Northern Powerhouse Rail	31.56	30.99	0.57	2%
IPBA	0.74	0.69	0.05	7%
Integrated & Smart Ticketing	1.15	1.07	0.08	7%
	33.45	32.75	0.71	2%
Rail Operations	2.25	2.06	0.19	8%
Operational Areas	4.55	4.46	0.09	2%

Total	40.25	39.27	0.99	2%
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- 4.2. Over the first nine months of the 2021/22 financial year TfN has incurred expenditure of £39.27m. This level of expenditure is £0.99m behind the Budget Revision 2 reforecast that was approved by the Board in November 2021.
- 4.3. Most of the underspend relates to TfN's programme areas (£0.71m), the majority of which in turn falls within the NPR programme (£0.57m). The underspend has arisen as the programme has slowed due to the timing and content of the IRP and the resultant transition to the DfT.
- 4.7. Year-to-date, Rail Operations is £0.19m under the Revision 2 Budget. This represents lower than anticipated expenditure on several professional services contracts due to a pause after the publication of the IRP. This delayed work is expected to be completed during this financial year.
- 4.8. Year-to-date, operational areas are broadly in line with the Revision 2 Budget.

5. Budget Revision 3

- 5.1. The table below summarises the reforecast of committed (net) budgets, with contingency separately disclosed. The overall committed budget will be held at £57m.

Forecast Expenditure	21/22 Budget £m	Var £m	21/22 Rev 1 £m	Var £m	21/22 Rev 2 £m	Var £m	21/22 Rev 3 £m
Programmes:							
Northern Powerhouse Rail	48.48	0.00	48.48	2.86	45.62	0.00	45.62
Integrated & Smart Ticketing	1.52	0.00	1.52	0.29	1.23	0.00	1.23
IPBA	0.89	0.00	0.89	0.04	0.86	0.00	0.86
	50.90	0.00	50.90	3.18	47.71	0.00	47.71
Rail Operations	3.16	(0.03)	3.19	0.09	3.10	0.06	3.04
Operational Areas (net)	6.13	0.03	6.10	(0.13)	6.23	(0.04)	6.27
Committed Budget	60.18	0.00	60.18	3.15	57.03	0.01	57.02
NPR Contingency	18.52	14.43	4.09	4.09	0.00	0.00	0.00
Total	78.70	14.43	64.27	7.24	57.03	0.01	57.02

- 5.2. The NPR and IST programmes have been retained at the same level as Budget Revision 2. As final costs are concluded, any reduced level of expenditure in these areas will result in repayment of grant.
- 5.3. The IRP indicated that the NPR programme would not be delivered by TfN beyond 31 March 2022. Reduced expenditure (compared to Budget Revision 2) due to slowing down and curtailing contractual activity will be partially offset by the costs of closing down the programme. The NPR Grant Funding Agreement allows project closure costs to be funded through the TDF and we are working closely with DfT to establish the extent and timing of these costs. We have proposed a similar approach to that adopted in relation to the IST programme, so that any excess NPR funding will be returned to DfT once costs are finalised.
- 5.4. TfN has continued to make good progress on the delivery of its Core funded activity and whilst work remains to be done, it is expected that the Core funding allocation will be utilised by the end of the year.

- 5.5 As noted above, TfN currently lacks any funding certainty with regard to its Core operations. At the time of writing no confirmation had been received regarding the levels of Core funding for 2022/23.
- 5.6 This uncertainty regarding funding beyond the end of 2021/22 has required action to be taken within TfN to limit the organisations exposure to new long-term commitments. This has included a recruitment freeze until such time as the new funding arrangements are clearer.
- 5.7 The delivery of activity in line with the Core budget has been supported by the revised virement process that was introduced at the start of the year. This has allowed new activities (which support the business plan) to be brought forward to be delivered during the year, usually in place of activity that has been delayed. This has resulted in some acceleration of activities from future years, where these are integral to a long-term programme (i.e. the development of the STP).
- 5.8 Budget Revision 3 will be funded in a manner consistent with Budget Revision 2, with draw on reserves of £2.48m representing a marginal (£0.06m) decrease in the forecast compared to the base budget. This, combined with an increase in reserves of £0.13m, due to actual expenditure at year-end position in 2020/21 being lower than forecast, gives a forecast year-end Core cash reserve to £4.19m.

6. Corporate Risk Reporting

- 6.1 TfN's constitution requires that policies and procedures to manage risk are put in place and that significant corporate risks are periodically reported to the Board. In order to discharge these responsibilities, TfN has adopted a Risk Management Strategy, approved annually by the Audit & Governance Committee. Per the strategy, the Corporate Risk Register Report is provided to the board for review and comment every six months. The Corporate Risk Register was last provided to the Board in September 2021 and is next due in March 2022.
- 6.2 The publication of the IRP has crystallised some risks in relation to TfN's current objectives, for example in relation to the delivery of the North's preferred NPR network. At the same time, it has introduced considerable fresh uncertainty to the organisation with regard to future co-sponsorship and delivery arrangements.
- 6.3 This is exacerbated by the continuing absence of a Core funding allocation, and the potential requirement to reassess TfN's objectives to reflect the availability of funding. Taken together, the IRP and the Core settlement are likely to impact on TfN's corporate objectives in a way that requires a comprehensive review of the Corporate Risk Register in the context of TfN's revised circumstances.
- 6.4 **Post-IRP and funding driven risks**
- 6.5 The following risks have been identified through TfN's risk management processes. Whilst they cover a range of discrete business and organisational issues, they either arise from or are reinforced by the uncertainty that currently exists across TfN. In addition, they are consistent with concerns that have been raised by officers in other settings, including Employee Forum.
- 6.6 The risk themes that have been highlighted are as follows:
- TfN's future role, both in the context of STB's generally and specifically in relation to the intentions of, and relationships with, DfT and Members.
 - TfN's role in the ongoing management of the operational railway.
 - TfN's policy, objectives and role on NPR in the context of the IRP.
 - The breadth and depth of TfN's role in developing evidence and policy in the future.

- Ongoing funding and resourcing, both in terms of transition and having the tools to deliver TfN's programme.
 - The retention of staff and staff morale post IRP, with specific concerns around staff on FTCs and the impact of potential TUPE.
- 6.7 Risks do not exist in isolation – they only have significance in relation to TfN's stated objectives as set out in its STP and policy documents, and in its business plan. The current Corporate Risk Register reflects a suite of objectives that are in many cases no longer current or may need to be reconsidered. The Risk Register therefore needs to undergo a full review once the NPR co-sponsorship and delivery arrangements are understood, the funding allocation has been received and the 2022/23 Business Plan has been completed.
- 6.8 The next scheduled board meeting at which the Corporate Risk Register is due to be presented is March 2022, meaning that it will need to be updated in February for approval at that month's Audit & Governance Committee. This timetable would require Corporate Risk Register Report to be updated and presented to the board at the point of maximum uncertainty in relation to TfN's future objectives – calling into question the utility of the information provided and the time commitment of relevant officers at what is likely to be a critical point in the preparation of the budget.
- 6.9 It is therefore proposed that a brief risk update, rather than a full update of the Corporate Risk Register Report, be provided to the Board as part of the finance report that will be presented to March Board.
- 6.10 Once the business planning and budgeting have been completed officers, working with the Audit & Governance Committee, will undertake a comprehensive review of the corporate risk position for presentation at the subsequent board meeting. This will highlight the challenges created by the IRP and the current funding position.

7. Corporate Considerations:

Financial Implications

- 7.1 The financial implications are included within the report.

Resource Implications

- 7.2 The HR implications are covered within this report.

Legal Implications

- 7.3 The Legal implications are covered within this report.

Risk Management and Key Issues

- 7.4 The risk implications are included within the report.

Environmental Implications

- 7.5 There are no environmental implications as a result of this report. Future decarbonisation activities as defined within the decarbonisation strategy will be dependent on future funding.

Equality and Diversity

- 7.6 There are no equality and diversity matters.

Consultations

- 7.7 No consultation is required.

8. Background Papers

- 8.1 2021/22 Budget

Budget Revision 1
Budget Revision 2

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Meeting:	Transport for the North Board
Subject:	Rail Investment Planning Update
Author:	Chris Mason, Interim Head of Investment Planning
Sponsor:	David Hoggarth, Strategic Rail Director
Meeting Date:	Tuesday 25 January 2022

1. Purpose of the Report:

- 1.1 This report is to provide the Board with an update on three key Rail Investment Planning issues in the North.
- 1.2 This includes proposals for service changes and upgrades to the East Coast Main Line north of York, the expected publication by the Department for Transport of an update of the Rail Network Enhancements Pipeline following the Comprehensive Spending Review, and the call for evidence issued by the Great British Railways Transition Team to support their forthcoming Whole Industry Strategic Plan.

2. Recommendations:

- 2.1 The Board is asked to:
 - a) **Note** the progress with development of the case for capacity upgrades to the East Coast Main Line, impact of the Integrated Rail Plan and pending update of the Rail Network Enhancements Pipeline;
 - b) **Support** the proposal to create a collaborative working model for development of the infrastructure for the East Coast Main Line north of York, on the same model successfully being used in Manchester including a 'Blueprint' to identify a co-ordinated long-term service and infrastructure solution to deliver the capacity and connectivity required across the North and to advise the Department for Transport and Network Rail that this is our view;
 - c) **Support** the need for the study identified in the IRP in relation to connectivity between Sheffield and Leeds to be taken forward at pace;
 - d) **Comment** on the approach to preparing the submission in response to the call for evidence for the WISP.

3. Main Issues: Background

- 3.1 Transport for the North (TfN) has a vision for the on-going transformation of the North of England's railway, laid out in the Strategic Rail Plan and Long-Term Rail Strategy. These describe how the rail network needs to be improved to support and facilitate a growing and more vibrant Northern economy and to enhance the North's quality of life, all in an environmentally sustainable way.

Core to this is a prioritised sequence of investment in a way that delivers the early foundations of a modernised rail system for the region, improving capacity and connectivity across the North and with the Midlands, Wales and Scotland

- 3.2 The Rail Network Enhancements Pipeline (RNEP) was established by the Government in 2018, setting out a new approach for rail proposals that require Government funding. This approach created a rolling programme of investment, focused on outcomes that provide benefits for passengers, freight users and the economy. RNEP is how the Department for Transport (DfT) funds all major

infrastructure enhancements, including the Transpennine Route Upgrade. Since that time, TfN has worked with the industry and partners to shape the pipeline of investment projects in the north.

- 3.3 Following the Comprehensive Spending Review the Integrated Rail Plan for the North and Midlands (IRP) was published by the Government on 18 November 2021. DfT have now reviewed the impact of the IRP on the RNEP.
- 3.4 TfN made a strong response on behalf of the North to the original consultation on industry plans for a significant timetable change on the East Coast Main Line (ECML) from May 2022. Capacity constraints mean that the proposed additional LNER service to London (3 per hour in total) would be at the expense of a reduction in the number of TransPennine Express (TPE) trains north of Northallerton to one per hour.
- 3.5 The May 2022 change has now been deferred and the rail industry has been developing an alternative to the May 2022 consulted timetable for the ECML, targeted for implementation in May 2023.
- 3.6 The IRP sets out the Government's proposals for the rail network, including for the ECML, specifically in the context of changes proposed by the Government to HS2 and Northern Powerhouse Rail (NPR). The IRP also stated the view that the case for re-opening the Leamside Line would be best considered as part of any future city region settlement on the basis of available evidence and value for money analysis.
- 3.7 TfN Board agreed a response to the IRP at its meeting on 24 November 2021 with a letter and statutory advice sent to the Secretary of State.
- 3.8 The Great British Railways (GBR) Transition Team has issued a call for evidence to support their forthcoming Whole Industry Strategic Plan (WISP). This will be a 30-year plan with many of the same objectives as TfN's own Strategic Transport Plan. It is intended to use TfN's existing workstreams to inform our response to the WISP.
- 3.9 A report on the RNEP status and ECML update was considered by the TfN Scrutiny Committee at its meeting on 12th January 2022. Scrutiny Committee also discussed a report on Rail reform and the proposed approach to the WISP.

4. East Coast Main Line North

May 2023 Timetable Services Options Update

- 4.1 An alternative timetable proposal is still under development by the industry with a target implementation date of May 2023. In the meantime, members have reiterated their priorities as being:
 - Greater emphasis on East-West connectivity;
 - Resolving local station calls (to maintain connectivity); and
 - Retaining the existing 2 trains per day to/from Bradford.
- 4.2 TfN has also commissioned Atkins to support input to this work including reviewing the opportunity to deliver 7 trains per hour north of Northallerton including restoring two TPE trains. This technical timetable work facilitates a detailed engagement with and scrutiny of emerging industry options.

Infrastructure Development

- 4.3 Given the network constraints on running more services north of York, TfN and North East Leaders wished to take a proactive approach to progressing work to identify the infrastructure required to accommodate both increased North-South services and existing East-West services.

- 4.4 Transport North East thus commissioned Network Rail, with financial support from both TfN and Network Rail, to develop a Strategic Outline Business Case (SOBC) for the 7th path between Northallerton and Newcastle.
- 4.5 This work has recently commenced and was anticipated as taking 6 – 9 months to complete. The remit is now being reviewed following the publication of the IRP which refers to 7 or 8 trains per hour being explored.
- 4.6 The IRP proposes:
- Improvements at York;
 - Extending the current 4-track railway to end just north of Northallerton, rather than just south of the station;
 - An additional through platform on the eastern side of Darlington station, with bays to reduce the number of local services that cross in front of fast trains, which is consistent with the existing proposals being developed by Network Rail with Tees Valley Combined Authority;
 - Upgrading the Stillington route to allow more freight use, and restoring a 3rd track north of Chester-Le-Street and a former chord at Bensham to enable a greater degree of segregation between freight and fast passenger trains; and
 - Lengthening some of the bay platforms at Newcastle to enable NPR trains to terminate in the station.
- 4.7 Network Rail has been asked by DfT to take these proposals forward for development and delivery. TfN, Transport North East and other stakeholders will now work with Network Rail to support the development of these proposals and understand what service output enhancements they could support.
- 4.8 Further dialogue is required with partners on how to take forward both ECML improvements and the Leamside Line reopening to maximise the benefits for the traveling public and regional economies.
- 4.9 A welcome inclusion in the IRP is recognition of Leeds station as a key hub on the national rail network as well as essential to local connectivity including Bradford. Service delays, both directly and through knock-on effects due to capacity constraints in the station and nearby junctions affect train service reliability across the north and further afield. Significant investment and upgrades have been carried at Leeds station since 2000, including recent passenger facility and capacity improvements carried out over Christmas 2021 to provide a better passenger experience for those using the station and help improve the reliability of train services, as well as increase capacity in the region.
- 4.10 These upgrade works are a good first step but more needs to be done and further investment is required to address both current bottlenecks and provide the capacity that will unlock the North's economic potential. Linked with this is the need to address the need to improve rail connectivity between Sheffield and Leeds.
- 4.11 Therefore, the allocation of funding in the IRP to undertake a study led by Network Rail to look at options on how to take HS2 trains to Leeds and understand the most optimal solution for future Leeds station capacity is welcomed. Given the strategic significance of these issues it is essential that this work is taken forward at pace and in partnership with TfN and both the West Yorkshire Combined Authority and South Yorkshire Mayoral Combined Authority
- Proposed East Coast Main Line North Blueprint**
- 4.12 Various combinations of service options and supporting infrastructure enhancements will be required to support the economic outputs required from the

ECML. It is therefore proposed that a 'blueprint' approach is developed on the same principle as that successfully developed by the Manchester Recovery Task Force, that clearly links the infrastructure changes necessary to the required passenger and freight service outputs.

- 4.13 The blueprint would show how the services required to improve capacity and connectivity across the north could be developed over time in line with the enabling infrastructure enhancements and allow stakeholders to support a long-term plan to deliver service requirements.
- 4.14 The blueprint would identify how and when services can be enhanced at 'points of opportunity', for example through further service changes or the delivery of infrastructure schemes and show when members will be consulted on which amended and additional services should operate.
- 4.15 By extending the 'blueprint' approach in this way it is possible to begin realising some of the key benefits identified in the Williams-Shapps Plan for Rail. Not only should this bring about benefits for the rail user (both passenger and freight) sooner, but it offers the opportunity to ensure that the transition to Great Britain Railways is informed by practical experience obtained in the North.
- 4.16 The Rail North Committee will continue to lead TfN's work with the rail sector to ensure that the North's needs in respect of the East Coast Main Line are reflected in future timetable planning.

5. The Rail Network Enhancements Pipeline (RNEP)

- 5.1 Appendix 1 to this report includes a simplified representation and high-level summary of TfN's infrastructure investment pipeline derived from the previous issue of RNEP, TfN's investment programme and the Long-Term Rail Strategy.
- 5.2 This includes:
- Capacity improvements at the key network hubs of Manchester and Leeds, as well as the other major hubs such as Bradford Forster Square, Chester, Darlington, Hull, Sheffield, Stockport and Preston;
 - Major upgrades to the Transpennine route and east and west coast main lines;
 - Improvements in route freight gauge clearance and capacity to key ports and across the Pennines (including an East-West gauge cleared freight route from the Humber to Liverpool);
 - New stations, line re-openings, journey time and reliability improvements across the north for routes such as Wrexham-Bidston/Liverpool and on the Esk Valley and Lakes lines.
- 5.3 At the date of this report the anticipated update of the DfT's Rail Network Enhancements Pipeline for the north had not been published. The update is anticipated to be published in January 2022.
- 5.4 When published, TfN will conduct an analysis of the implications of the revised RNEP on the TfN investment pipeline and partner investment priorities.
- 5.5 If the RNEP update is published before the 25 January 2022, a verbal update will be provided at the Board meeting.

6. The Whole Industry Strategic Plan

- 6.1 The Whole Industry Strategic Plan (WISP) will be a 30-year plan with many of the same objectives as TfN's own Strategic Transport Plan, therefore TfN intend to secure maximal alignment between the two processes. GBR have requested responses by 4th February 2022.
- 6.2 Appendix 2 to this report summarises the WISP strategic objectives and to which existing TfN Plan and Strategies each one aligns, indicating how the WISP

strategic objectives closely relate to TfN's committed goals. It is therefore intended to use TfN's existing documents to inform our response to the WISP.

- 6.3 TfN's response will consolidate the many workstreams that it has undertaken into a concise argument for how identified improvements to the railway network will underpin sustainable and inclusive economic growth across our region. Key points of the response will be based on our analysis which have shown that:
- a) An improved rail network could enable 60% of Northerners to work outside of their home district by 2050, as compared to 35% in 2015;
 - b) This would allow larger labour markets and better matching of people to jobs, which would underpin a Northern economy 4% more productive, 15% larger and providing 850,000 more jobs by 2050 than would otherwise have been the case;
 - c) Encouraging a modal shift from road to rail will require movement towards higher minimum standards for journey times, service frequency, reliability and station facilities than is currently the case, as described in our Long-Term Rail Strategy;
 - d) The lack of rail freight routes across the North (especially East-West routes) suitable for the largest shipping containers is causing economic inefficiencies in the movement and warehousing of goods; and
 - e) Significant modal shift to rail will be required in order to reduce carbon emissions from the North's transport network by 56% by 2030, on course for a target to reach near zero emissions by 2045.
- 6.4 It is essential that TfN seeks a strong role working with the GBR Transition Team as they develop the WISP. TfN's work to develop its Strategic Transport Plan (a statutory document) is grounded in its understanding of the expanded role that the North's rail network needs to play in achieving wider policy outcomes – economic growth, improved productivity, reduced environmental impact, improved social mobility.
- 6.5 TfN, as the statutory Sub-national Transport Body, is uniquely placed to be able to work with the Transition Team in this regard. In addition, the experience gained through the successful devolution of activities through the Rail North Partnership, enables TfN to advise on how to strengthen the linkage between long-term strategic planning and operational delivery to the benefit of the North's users and their communities. To that end it is essential that the work of the GBR Transition Team is shaped by regular dialogue with key bodies outside the immediate rail family: a point that TfN's submission will make.
- 6.6 As TfN's submission will draw on established positions the Chief Executive will sign it off in conjunction with the Chair of the Board.

7 Next Steps

- 7.1 Work is progressing on the ECML 7th path business case work including the role of the Leamside Line alongside the ECML improvements proposed in the IRP.
- 7.2 TfN will advise the Department for Transport and Network Rail that a collaborative working model for development of the infrastructure for the East Coast Main Line north of York is created, on the same model successfully being used in Manchester including a 'blueprint' identifying a co-ordinated long-term service and infrastructure solution to deliver the capacity and connectivity required across the north.
- 7.3 An analysis of the implications of the revised RNEP will be undertaken when published and provide a further update to Members.

7.4 Subject to comments from Board members, the WISP response will be developed as set out in the report and Appendix 2 and submitted by the deadline of 4 February. The final submission will be shared with Board members.

8. Corporate Considerations

Financial Implications

8.1 There are no financial implications for TfN as a result of this report

Resource Implications

8.2 There are no direct resourcing implications as a result of this report.

Legal Implications

8.3 There are no obvious legal implications arising other than raised within the report.

Risk Management and Key Issues

8.4 This paper does not require a risk assessment, however, risks relating to future timetables are being identified, managed and monitored through the Rail North Partnership.

Environmental Implications

8.5 This report does not constitute a plan or programme which sets the framework for future development consents of projects listed in the EIA Directive and therefore does not stimulate the need for SEA or EIA. All proposed infrastructure developments will be subject to screening for the need for EIA by the relevant development authority as part of the design development and consenting process.

8.6 TfN objectives around decarbonisation, biodiversity net-gain and natural capital will be included within our evidence for the Whole Industry Strategic Plan.

Equality and Diversity

8.7 A full impact assessment has not been carried out because it is not relevant to the type of work referenced.

Consultations

8.8 No consultation has been carried out this review. The rail industry carried out a public consultation on future plans for the ECML timetable.

5. Background Papers

5.1 There are no background papers to this report.

6. Appendices

6.1 Appendix 1 - TfN's outline rail infrastructure investment pipeline.

6.2 Appendix 2 – WISP Strategic Objectives

Glossary of terms, abbreviations and acronyms used

a) TfN	Transport for the North
b) RNEP	Rail Network Enhancements Pipeline
c) DfT	the Department for Transport
d) IRP	Integrated Rail Plan for the North and Midlands
e) ECML	East Coast Main Line
f) TPE	TransPennine Express
g) NPR	Northern Powerhouse Rail

Glossary of terms, abbreviations and acronyms used

<i>h)</i>	<i>GBR</i>	<i>Great British Railways</i>
<i>i)</i>	<i>WISP</i>	<i>Whole Industry Strategic Plan</i>
<i>j)</i>	<i>SOBC</i>	<i>Strategic Outline Business Case</i>

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1. Northern Hub and major programmes	Manchester Area Capacity	TransPennine Routes	Leeds Area Capacity	East/West Coast Main Line Upgrades
	Programme of investment to address 'congested infrastructure' in Central Manchester. Tranches 1-3 of investment being developed as part of the emerging Manchester area blueprint.	North: TransPennine Route Upgrade South Hope Valley Capacity Upgrade and Journey Time improvements	Additional platform and line capacity to accommodate anticipated future growth. Study highlighted in the Integrated Rail Plan.	East Coast Northallerton to Newcastle capacity upgrade and Doncaster area capacity West Coast Investment programme to support NPR & HS2
2. Freight Programme	Gauge Clearance and Capacity	3. New Stations and Line Re-openings	Line re-openings	New Stations
	North TransPennine and Northallerton to Teesport		Northumberland Line Support to develop other proposals including Restoring Your Railway schemes across the North	Support for partner new station proposals across the north subject to business cases
4. Decarbonisation and Route Upgrade Programme	Decarbonisation Programme	Route upgrades	Journey time and reliability programme	
	Rolling programme of electrification including TransPennine Route Upgrade and Wigan-Lostock Decarbonisation of non-electrified routes	Capacity and journey time improvements across the North including on routes in Cumbria, Yorkshire, Lancashire and connections to the Wirral	Passenger and freight incremental journey time improvements to improve service reliability . Approximately 30 routes identified for initial review Other infrastructure changes to improve operational reliability – priority programme for progression with further programme in development	
5. Stations, Hubs and Interchanges Programme	Accessibility Programme	Hubs and Interchanges Programme		Stations Programme
	Programme of step free access and other improvements at all stations	Station capacity and passenger improvements at main hubs including Bradford Forster Sq., Chester, Darlington, Hull, Preston, Stockport and Sheffield		Upgrade to minimum standards at all stations in line with the Stations Strategy

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WISP Call for Evidence

- B.1 The WISP call for evidence lists five strategic objectives which will be covered and asks 19 questions which will inform these. The paragraphs below demonstrate how the WISP strategic objectives closely relate to goals to which TfN is committed, as outlined in either our *Strategic Transport Plan* or *Long Term Rail Strategy*; this is why we are able to answer the WISP call for evidence with information and analysis drawn from our existing workstreams. The alignment between these plans will enable the achievement of the objective which has been cited in our response to the Williams-Shapps Plan and the formation of the Great British Railways Transition Team, namely that the rail element of Transport for the North's refreshed *Strategic Transport Plan* should effectively be interchangeable with the North of England element of the WISP.
- B.2 The first WISP strategic objective is "Meeting customers' needs", which relates to Questions 2a to 2d. It covers topics such as the perceived value for money and safety of rail travel, train reliability and performance, multi-modal connectivity and journey times. It is thus most closely aligned with the "Increasing efficiency, reliability, integration, and resilience in the transport system" pan-Northern transport objective from the *Strategic Transport Plan* and the "Customer" objective from the *Long Term Rail Strategy*.
- B.3 The second WISP strategic objective is "Delivering financial sustainability", which relates to Question 3. It covers topics such as reducing the industry subsidy from government, and improving the efficiency of operations, capital investment and asset management. It is thus most closely aligned with the "Increasing efficiency, reliability, integration, and resilience in the transport system" pan-Northern transport objective from the *Strategic Transport Plan* and the "Cost-effectiveness" objective from the *Long Term Rail Strategy*.
- B.4 The third WISP strategic objective is "Contributing to long-term economic growth", which relates to Questions 4a to 4c. It covers topics such as boosting economic growth and improving economic efficiency through reducing transport costs, labour market agglomeration, business to business contacts, and the spill over from the industry's direct investment in skills and infrastructure. It is thus most closely aligned with the "Transforming economic performance" pan-Northern transport objective from the *Strategic Transport Plan* and the "Connectivity" objective from the *Long Term Rail Strategy*.
- B.5 The fourth WISP strategic objective is "Levelling up and connectivity", which relates to Questions 5a to 5c. It covers topics such as catalysing growth in deprived areas, maximising the social benefits from improved connectivity, and connections across the nations of the UK. It is thus most closely aligned with the "Improving inclusivity, health, and access to opportunities for all" pan-Northern transport objective from the *Strategic Transport Plan* and the "Communities" objective from the *Long Term Rail Strategy*.
- B.6 The final WISP strategic objective is "Delivering environmental sustainability", which relates to Questions 6a to 6c. It covers topics such as encouraging modal shift from road, decarbonisation (of traction and infrastructure), biodiversity, air quality, and resilience of the transport network in the face of climate change. It is thus most closely aligned with the "Promoting and enhancing the built, historic, and natural environment" pan-Northern transport objective from the *Strategic Transport Plan* and the "Communities" objective from the *Long Term Rail Strategy*.
- B.7 Additionally, there is a summary section intended to explain how goals will be achieved and prioritised, which relates to Questions 1a to 1e. Transport for the North can respond to this by referring to our whole suite of initiatives, including the

recent *Freight Strategy*, *Decarbonisation Strategy* and *Future Travel Scenarios*, as well as our *Strategic Transport Plan* and *Long Term Rail Strategy*. Overall, our response will emphasise that ultimately the many objectives of the Whole Industry Strategic Plan and Transport for the North's various policies are highly self-reinforcing; transforming the railways to be more attractive, quicker, safer, cleaner and better value for money will encourage modal shift from road to rail (for both passenger and freight traffic), which will enable more rapid decarbonisation, improved connectivity and labour market agglomeration, more sustainable and inclusive economic growth, and a reduction in the financial, socio-economic and environmental costs of transport.

B.8 Material will therefore be drawn from the following TfN workstreams to support detailed answers to the 19 questions:

- The *Long Term Rail Strategy* involves themes related to how goals will be achieved and the trade-off between competing objectives (Questions 1a and 1b);
- The Northern Powerhouse Rail programme has examined issues relating to financial sustainability and value for money (Question 3);
- The work of the Rail North Partnership involves themes related to financial sustainability, value for money, and passenger needs (Questions 3 and 5b);
- The *Decarbonisation Strategy* has addressed themes concerning environmental sustainability, net zero carbon, biodiversity, pollution and new technology (Questions 6a and 6b);
- The work of the Technical Assurance, Modelling & Economics (TAME) team involves themes related to underlying economic factors, labour market agglomeration, the impact of CoViD-19, regional inequalities, levelling up, modal shift and decarbonisation (Questions 2a, 4a, 5a, 5c and 6a);
- The forthcoming Freight Strategy will address themes related to customer needs, supply chains, new technology and value for money (Questions 2c and 2d);
- The *Future Travel Scenarios* workstream has examined topics concerning long-term economic and social trends, environmental change and resilience (Questions 1c and 1d);
- The Stations Strategy involves themes related to multi-modal interchange, accessibility, value for money, long-term economic growth, local regeneration, place-making and active mode integration (Questions 1e, 2a, 2d and 4b);
- The Reliability & Resilience Delivery Plan will address issues relating to train performance, monitoring passenger expectations, reliability, value for money and climate resilience (Questions 2a, 2b, 2d, 6a and 6c);
- The Linespeed Improvement initiative involves themes related to value for money, reducing journey times, and innovative ideas (Questions 3, 4a and 4c); and
- Strategic Rail's Digital Strategy will address themes related to customer satisfaction and financial sustainability (Questions 2a and 3).

End.

Meeting:	Transport for the North Board
Subject:	Rail Business Planning
Author:	David Hoggarth, Strategic Rail Director
Sponsor:	Martin Tugwell, Chief Executive
Meeting Date:	25 January 2022

1. Purpose of the Report:

- 1.1 To provide the Board with an overview of the work the Rail North Committee is undertaking on business planning for train operators Northern and TransPennine Express (TPE) and set out the main issues arising.

2. Recommendations:

- 2.1 It is recommended that the Board:
- a) Welcomes the strong recovery in rail passenger numbers in the North, noting that this is significantly higher than the national average;
 - b) Supports the argument that the strength of the North's rail market should be a key consideration for Government when considering the allocation of future funding to support growth in rail patronage; and
 - c) Welcomes the work of the Rail North Committee in supporting the Rail North Partnership through the business planning process as a means of enabling the North's priorities to be taken into account.

3. Main Issues:

Background

- 3.1 With the move from rail franchises to the current situation where revenue risk is taken by Government, determining priorities for delivery by train operators has moved to an annual business planning process. Operators set their priorities based on a funding envelope provided by the Treasury to the Department for Transport (DfT).
- 3.2 Transport for the North has the ability to shape the business plans for Northern and TPE through its joint role in the Rail North Partnership (RNP). Transport for the North's input to the business planning process is being overseen by the Rail North Committee with support from their relevant lead officers. Rail North Committee has had detailed briefings on the funding position and initial responses from the train operators.
- 3.3 The current business planning process is being carried out in the context of the ongoing and long-lasting impacts of the pandemic. The impact of Covid on our railways has been significant including:
- A significant reduction in demand during the worst of the pandemic – sometimes as low as 5% of pre-covid levels based on Government guidelines and restrictions;
 - Increased funding from Government to keep the railway operating and staff employed – in 2020-21 government funding was £16.9 billion (national total) , an annual increase of £10.4 billion largely due to the use of emergency

measures for train operators. The net subsidy to Northern and TPE in 2020-21 was £1.1bn;

- Impact on staff availability due to sickness and self-isolation, particularly prevalent under the current Omicron wave; and
- A transfer of revenue risk from the private sector operators to the public sector (in this respect Northern was already being operated by the government's Operator of Last Resort following the termination of the previous Arriva franchise).

- 3.4 Despite the challenges, the railway in the North has continued operating and the industry has made agile changes to the timetables to reflect need (including supporting key workers), staff availability and demand. The December 2021 timetable saw Northern operating 87% of pre-covid services and TPE operating 85% of services.
- 3.5 Transport for the North has played an important role throughout the pandemic, establishing the North of England Contingency Group to provide the link between the rail industry and local authorities as they dealt with the impacts of the pandemic in their local areas. This has helped ensure that despite the need to implement a number of special timetables, services have been able to meet local needs and passenger demand at each stage of the pandemic. Transport for the North was also able to secure input from all train companies operating in the North of England to ensure a joined-up 'one railway' approach.
- 3.6 Evidence shows that the North has been at the leading edge of the rail recovery and was regularly 10% ahead of the sector average for (compared to pre-Covid).
- 3.7 Prior to the recent impact of the Omicron variant, Northern had been seeing revenue at 95% of pre-Covid levels and demand, for some periods, at 85%. TPE said its leisure services had been operating at 89% of pre-Covid levels. It is the business and commuter figures that have proved more sluggish in terms of the return to rail dragging the overall averages down.
- 3.8 The strength of the recovery in rail services in the North is in marked contrast to the picture elsewhere in the country. It reflects the key role that our railways play in supporting our economy and communities. What it has also done is serve to demonstrate the capacity limitations of the North's historic rail infrastructure further emphasising the importance of a step-change in capacity.
- 3.9 As the Government understandably looks to place the finances of the rail sector on a more sustainable footing it is essential that the changes in the rail market shape the future allocation of funding in support of the growth of rail services. The potential for a long-term and sustained shift in working practices in the service-based economy of the London and South-East region are likely to change traditional commuter patterns. In contrast the strength of the rail recovery in the North is indicative of the extent to which rail continues to be central the North's economy.

Funding Position

- 3.10 The industry now faces significant financial challenges as part of the overall financial situation facing the UK in the post pandemic world. The Comprehensive Spending Review provided indicative funding allocations for each train operator for the next 3 years (commencing in 2022/23).
- 3.11 The Government, through Treasury, is requiring each operator to make substantial savings to their costs. These savings are reflective of discussions taking place through industry representatives at a national level including matters such as workforce modernisation options. The Treasury will continue to take the revenue risk due to post-pandemic uncertainty. In these circumstances it is

important to ensure that the rail operators remain incentivised to grow their revenues. In this regard the strength of the rail recovery in the North should be welcomed by the Government as a significant opportunity, one that our operators should be encouraged to pursue.

- 3.12 Although in real terms the total amount available to fund rail services has increased, the impact of underlying cost movements and inflationary pressures as well as various pre-existing obligations, mean that the initial target budgets assigned are significantly less in real terms than the budget bids submitted across each of the three years. The initial funding gap differs over the years for both operators with years two and three looking particularly challenging.
- 3.13 Rail North Committee has sought and received assurances that TPE and Northern are not being asked to take an unequal share of the required savings. In fact, Northern in particular is more protected than the average for train operators although given the size of their overall budget this does not mean that the challenge is not significant.
- 3.14 Rail North Committee has highlighted that given the strength in the recovery of the rail market in the North of England, coupled with the levelling up agenda, there is a strong argument for a level of funding that supports continued growth in rail serving the North of England. Such an approach is ultimately the best way of making the railway more financially sustainable, as well as delivering a railway that actively supports the delivery of key policy outcomes relating to economic growth, reducing the environmental footprint of transport, and improving social mobility.
- 3.15 Recent analysis undertaken for Northern identifying the total benefits of government funding provided to the operator showed that for a net cost to government of £500m, the total benefits to the UK economy was a minimum of £1.25bn – equivalent to a return of £2.50 for every £1 of net funding. This includes supporting employment through over 6,600 direct roles and a direct economic GVA contribution of £360m p.a. The analysis also identified non-user benefits (such as reduced road congestion and improved air quality) of £75m per year.
- 3.16 Northern’s assessment is consistent with previous analysis by the Urban Transport Group (2014) which identified economic benefits of rail services in the North of England of £1.6 billion per year and wider benefits of £3.1 billion per year across the UK. The Urban Transport Group (UTG) assessment found the return to funding from all northern rail services to be £4.30 per £1 of funding, increasing to £6 when looking beyond the North. Transport for the North supplied technical support and data for the Northern study and we are exploring options for updating the UTG assessment using the Northern methodology and the Transport for the North Analytical Framework.

Transport for the North’s Input to Business Planning

- 3.17 Transport for the North, through its role in the Rail North Partnership (jointly managing the Northern and TPE train operators with DfT) has a unique (amongst English sub-national transport bodies) involvement in the business planning process. This allows Transport for the North to have visibility of the business plans and help shape priorities based on the funding available. This is a practical example of the added value that comes from the devolution of transport powers to Transport for the North in a joint working arrangement with the Department for Transport. It is a key building block on which Transport for the North looks to build upon as part of its working relationship with Great British Railways (as endorsed by the Board on 24th November 2021). The Board’s agreed approach advocates the development of a profit and loss account for the North of England.

In taking forward this proposal it will be essential that the prioritisation of the available short-term funding properly takes into account the social and economic benefits of investing in rail in the North.

- 3.18 Transport for the North's input to the process is overseen by the Rail North Committee which has adopted a 3-stage process for interacting with the business planning process:
1. Setting general priorities at the start of the process;
 2. Shaping specific guidance and requirements for the train operators; and
 3. Reviewing and prioritising proposals received from the operators.
- 3.19 Rail North Committee provided guidance at stages 1 and 2 and has recently received a briefing on the initial business plans received from the two train operators.
- 3.20 Given the overall funding position, Committee members have set a clear priority around protecting services and passenger-facing facilities with an overarching objective:
- To protect the function of the rail network in the North to ensure it continues to serve passengers and communities as efficiently and effectively as possible.*
- 3.21 Within the overall objective Rail North Committee has resolved to:
- Work collaboratively with the Rail North Partnership and industry to inform plans for future services in the longer-term, including through development of agreed service priorities;
 - Continue to work collaboratively with industry and members to improve station accessibility, safety, and the passenger experience, including through joint investment and securing greater local control and influence;
 - Continue to work with members and the industry to realise integrated and joined-up local transport networks that are easy to use with seamless ticketing and information;
 - Continue to strongly advocate for decarbonisation of the industry, including through promotion of the benefits of electrification; and
 - Continue to champion the benefits of investment in the North's railway, to defend against a return to the 'second-best' approach. This must include an ambitious approach to replacement of the significant number of ageing trains.
- 3.22 The assessment of the initial business plans (for 2022/23) is ongoing and Rail North Committee (through their lead officers) have been involved in the initial assessment – following the objective and approach set out above. In particular there is an ongoing iterative approach to finalising the business plans and seeking to meet the allocated budget and/or identify bases for arguing for betterment. Business Plans have a wide range of passenger-facing and back-office/policy initiatives and there is always the opportunity to prioritise the outputs required in a given year. Transport for the North's access to the process and collaborative working with the Rail North Partnership is helping to ensure that the focus is right for the North and where savings need to be made these are directed to areas which will not have a significant passenger impact in the short-term.
- 3.23 There is still some substantial work to be done to finalise the business plans and Transport for the North officers are continuing to support the RNP in their work and provide regular reports on progress to Rail North Committee.

Passenger Outcomes

- 3.24 Notwithstanding that the work is still ongoing, a picture is emerging of the likely passenger outcomes through the business planning process.

- 3.25 Rail North Committee previously raised concerns that the national approach to timetable development was likely to be to adopt the December 2021 timetable as the new baseline going forwards. The concern with this approach was that the December 2021 timetable was only 85-87% of the pre-covid timetable as services have been restored incrementally as demand increases. The Committee has been very clear that a new reduced baseline timetable would not be acceptable to the North.
- 3.26 In fact, both operators have included some incremental service enhancements in their business plans for May 2022 based on the previous assessment of demand recovery. This is to be welcomed and is further demonstration of the inherent strength of the rail market in the North. For example, Northern has included the restoration of the half-hourly service between Hull and Bridlington from May 2022 reflecting the strong demand for leisure journeys seen on that route in Summer 2021. TPE are planning to extend their Redcar to Manchester Airport service through to Saltburn and are currently consulting on plans to run a Hull-Liverpool direct services and re-route Scarborough services to Manchester Piccadilly. Operators have also included the changes consulted on for December 2022 as part of the Manchester Recovery Task Force (the operators have recently completed their consultation on these changes).
- 3.27 To protect the service elements, there will need to be savings elsewhere in the business plans. For example, it is likely that marketing budgets may have to be reduced. Whilst these budgets are inherently scalable, reducing funding would likely impact on the speed of the recovery of demand and revenue. Transport for the North has (in the current financial year) been able to support and amplify the operators' marketing activities, but it cannot and should not be a replacement for the scale of work operators are best placed to undertake. The context is that the overall rail market in the North was (pre-covid) only about 1% of the overall travel market. This highlights the significant potential for attracting and retaining new markets such as tourism to destinations in the North.
- 3.28 RNP is also seeking to agree some changes to the way internal payments work which would provide a positive benefit to operators in the North and reduce the risk of having to make savings that impact on passenger outcomes.
- 3.29 At this stage the budget position for years 2 and 3 means that it isn't clear that there will be sufficient funding to continue to support all services included in next year's plan or to continue to growth back of services to pre-covid levels. The precise implications will only be known after the 2022/23 position has been finalised and there would need to be further discussions with Rail North Committee about prioritisation within the budgets unless other ways were found to bridge the gap.

Summary and Next Steps

- 3.30 In summary:
- The North has been at the leading edge of the Covid recovery with demand growth 10% higher than other parts of the country;
 - To build on this growth back and ultimately make the railway more sustainable will required sustained investment in both services and infrastructure. This approach would also ensure that the full return from previous investment in rolling stock and infrastructure is realised;
 - Rail North Committee is overseeing Transport for the North's input to the business planning process and there is still significant work taking place to finalise the position for the 2022/23 financial year;
 - Through the Rail North Committee and the work of RNP operators have built in some growth in services next financial year (subject to successful resolution of

remaining issues) as a result of prioritising these over other potential outputs;
and

- The position for years 2 and 3 is less positive and without further intervention, hard choices may have to be made to prioritise outputs including services.

3.31 Rail North Committee will continue to receive detailed updates on the business planning process and will continue to scrutinise proposals to ensure they protect the interests of the passenger in line with the aspiration for a strong role for the North under the proposed new industry structure under Great British Railways.

4. Corporate Considerations

Financial Implications

4.1 There are no direct finance implications as a result of this report. The cost of services is met by the Department for Transport with the revenue risk being taken by the Treasury.

Resource Implications

4.2 There are no direct resourcing implications for Transport for the North as a result of this report.

Legal Implications

4.3 There are no apparent immediate legal implications for Transport for the North as a result of this report.

Risk Management and Key Issues

4.4 This paper does not require a specific risk assessment. It does highlight the risk to services and passenger outputs if there is insufficient funding for available to train operators. Detailed risks relating to the operator 2022/23 business plans are being identified, managed, and monitored through the Rail North Partnership.

Environmental Implications

4.5 This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the EIA Directive and therefore does stimulate the need for SEA or EIA.

4.6 Passenger rail has an essential part to play in achieving our decarbonisation objectives within Transport for the North's Decarbonisation Strategy, particularly around reducing private car vehicle mileage.

Equality and Diversity

4.7 An impact assessment is not required as the report provides an update on the work of the Rail North Partnership and the train operators. Maintaining and improving access to public transport, including rail, is key to addressing existing Transport Related Social Exclusion in the North. Rail remains an essential service for many who experience TRSE.

Consultations

4.8 Train operators are responsible for consulting on the details of timetable changes, including any increments or decrements as a result of the business planning process.

5. Background Papers

5.1 There are no background papers

6. Appendices

6.1 There are no Appendices.

Glossary of terms, abbreviations and acronyms used (if applicable)

Please include any technical abbreviations and acronyms used in the report in this section. (Please see examples below.) This will provide an easy reference point for the reader for any abbreviations and acronyms that are used in the report.

- a) *TPE* *TransPennine Express*
- b) *DfT* *Department for Transport*
- c) *RNP* *Rail North Partnership*
- d) *UTG* *Urban Transport Group*

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Meeting:	Transport for the North Board
Subject:	Union Connectivity Review
Author:	Jonathan Brown, Strategic Rail Lead
Sponsor:	Tim Foster, Strategy and Programme Director
Meeting Date:	Tuesday 25 January 2022

1. Purpose of the Report:

- 1.1 This report discusses the final report of the Union Connectivity Review that was published in November 2021 and considers the implications and opportunities for Transport for the North.

2. Recommendations:

- 2.1 It is recommended that the Board:
- a) Welcome the publication of the Union Connectivity Review.
 - b) Agree to use the Strategic Transport Plan and its supporting evidence base as the basis for engaging with the Department for Transport as the Government develops its response.
 - c) Seek an early discussion with Transport Scotland with a view to identifying how both organisations work on improving strategic connectivity.
 - d) Seek an early discussion with Transport for Wales with a view to identifying how both organisations might build on joint working through the West and Wales partnership to improve strategic connectivity.

3. Main Issues:**Introduction**

- 3.1 The Union Connectivity Review (UCR) was commissioned by the Prime Minister in October 2020 to undertake a detailed review of how the quality and availability of transport infrastructure across the UK can support economic growth and quality of life across the whole of the UK. Sir Peter Hendy was asked to lead the UCR supported by an expert panel.
- 3.2 The final UCR report was published in November 2021 and is informed by a call for evidence, social and market research and consultancy work. TfN made a submission to the UCR call for evidence in December 2020 along with many other organisations. The UCR final report reflects many of the key connectivity priorities TfN has proposed, including strengthened connectivity between the North of England, North Wales and Scotland. Appendix 1 summarises the key points of TfN's response with a commentary on how they have been addressed.
- 3.3 The UCR is particularly concerned with transport connectivity between the nations of the United Kingdom rather than connectivity within nations and regions. Transport is a devolved matter, so involvement of the Welsh Government, Scottish Government and Northern Ireland Executive is important. The North of England has direct borders with Wales and Scotland and is a key route to Northern Ireland and is therefore important in union connectivity terms.
- 3.4 The UCR makes a total of 19 recommendations for how the UK's transport connectivity should be improved. The most important of these are:

- Design and implement UKNET – a strategic transport network for the whole of the UK, and commit to providing additional funding to improve the network, in particular, the parts that are not performing well;
- Plan improvements to the network using multimodal corridors, which should be reviewed regularly and appraised on a wider economic basis in order to support government objectives such as levelling up and net zero.

UKNET and Transport Corridors

- 3.5 UKNET, would serve the whole of the United Kingdom with improvements funded, particularly where the network is under-performing. UKNET is multi-modal so includes road and rail routes together with busier airports and seaports of importance for freight and passenger flows. Investment in UKNET should be considered on a multi-modal basis and appraised on a wider economic basis to support government objectives including levelling up and net zero. Data should be collected on a UK wide basis to inform decision making.
- 3.6 UKNET is intended as a consistent network serving all of the UK (see Appendix 2) with a programme of investment to improve connectivity. Whilst most of UKNET are within national funding envelopes such as National Highways and Network Rail, some of UKNET is comprised of local roads. In addition, ports and airports are operated on a commercial basis. Although UKNET is a strategic network, it is recognised that it needs to be integrated with local public transport and active travel schemes where appropriate, including the provision of electric vehicle charging facilities. The UCR notes the major regional variation in charging point provision, with London having nearly 4 times as many as Yorkshire and Humber and the North West per head of population.
- 3.7 The UCR sets out what UKNET could look like as a series of corridors (See Appendix 3), in a manner that is not dissimilar to the Strategic Development Corridors defined in the Strategic Transport Plan (STP). As in the STP, there are both north/south and east/west corridors together with welcome recognition of links between the North West and North Wales, and between the West Coast Ports and Northern Ireland. In the North, the ports of Grimsby and Immingham, Liverpool and Tees & Hartlepool are proposed to be part of UKNET together with Doncaster Sheffield, Liverpool, Manchester and Newcastle Airports.
- 3.8 It is recognised that the West Coast Corridor plays a key role linking the Union, with the West Coast Main Line Railway (WCML) and M6 Motorway being its key arteries. The UCR recommends that WCML journey times be reduced, and capacity increased by upgrading the WCML north of Crewe.
- 3.9 The UCR and the Government’s Integrated Rail Plan were published 8 days apart although both were substantially delayed. A key consideration for both is how and where does HS2 link to the West Coast Main Line north of Crewe. The IRP includes a Crewe Northern Connection enabling HS2 trains to serve Crewe then head north, as supported by TfN and local Partners.
- 3.10 The Golborne Link is the current plan to connect HS2 to the West Coast Main Line. The wording in the UCR on Golborne Link suggests a review of alternative northerly connections between HS2 and the West Coast Main Line. It suggests other options to connect to the WCML south of Preston could offer a two to three minute faster journey than the Golborne Link, however more work is needed to understand the case.
- 3.11 The East Coast Corridor includes the East Coast Main Line (ECML) and parallel major roads, principally the A1/A1(M). The UCR recommends “an assessment” of this corridor is carried out including road and rail improvements with the Scottish Government. The supporting analysis to the UCR recognises that capacity improvements to the ECML particularly between Northallerton and Newcastle and

improvements to the A1 between Ellingham and Edinburgh are important to Union Connectivity.

- 3.12 The North Channel Corridor includes links between the Tees Valley and North East to Cumbria and on to Northern Ireland via the Cairnryan Ports to Belfast and Larne. The UCR has carried out an assessment of a fixed link to Northern Ireland which finds that the benefits could not possibly outweigh the costs to the public purse and a fixed link should not be progressed.
- 3.13 The UCR suggests that instead, improvements to the single carriageway A75/A77 between end of the M6 at Gretna and Cairnryan should be funded. This route is entirely located within Scotland so is the responsibility of Transport Scotland, however, is also of importance to the North, as the key route for HGV traffic to/from Northern Ireland and the North of England. Although also within the corridor, improvements to the A66 and A69 are not shortlisted and the UCR does not mention road or rail connectivity across the North Pennines between the North East and Cumbria.
- 3.14 The strong relationship between North West England and North Wales is recognised in the UCR, which Growth Track 360, the West and Wales Transport Forum, TfN and others have stressed. The review also noted the economic disparities, e.g. in Cheshire GVA per head was £35,189 in 2019 compared with £27,593 in neighbouring Wrexham. The UCR recommends government to work with the Welsh government to undertake a multimodal review of the corridor and develop an investment package for the North Wales Coast Main Line including electrification and improvements to the M53, M56 and A55. The UCR notes the importance of the rail link with HS2 via Crewe.
- 3.15 A similar recommendation is made for the Welsh Marches Corridor which considers north/south connectivity in the England/Wales border area. The UCR recognises that Cardiff has the fewest direct connections of any major city, and the need for improved links to Manchester, Yorkshire and the North East including direct connections.
- 3.16 The UCR discusses aviation at length, largely in the context of connecting the four nations. It does however note the reduction in domestic connections at Heathrow Airport and suggests there may be a requirement for the Government to intervene in slot allocation processes, but only where the journey is too long for rail and road to be an alternative, which would not apply to the routes from the North to London. The UCR also recommends the development of sustainable aviation fuel plants in areas which are particularly dependent on this mode of travel.

Next Steps

- 3.17 The UCR was commissioned by the Prime Minister to provide independent advice to him on the connectivity needs between the four nations of the UK. As a result, the UCR is silent on next steps which are for the Government. The Prime Minister has referred to it as “an inspiring vision for transport” and invited the devolved administrations to work with him to achieve this. The UCR is independent advice to Government and the next steps are for it to consider and respond. To support this, the Department for Transport has established a Union Delivery team and the Government intends to respond to the UCR in due course.

Opportunities for Transport for the North

- 3.18 Union Connectivity is very important to the North, which forms much of England’s border with Wales and all of its border with Scotland. Much traffic to Northern Ireland passes through or has its origin or destination in the North. The UCR notes the strong interrelationship between the North West and North Wales.

- 3.19 TfN has agreed a Memorandum of Understanding with the both the Welsh and Scottish Governments. Both of the devolved administrations have been actively involved in TfN work, particularly the Strategic Development Corridors, for example the West and Wales corridor study extended to Holyhead. Both administrations have fed in to the TfN STP Development process. TfN supports the West and Wales Transport Forum which exists to promote cross-border dialogue and collaboration particularly in the North Wales/North West area. There may be scope to review and strengthen relationships with Scotland and Wales in the light of the UCR.
- 3.20 There are various other opportunities for TfN to contribute to the UCR process going forwards:
- By working with the Department for Transport intaking forwards the UCR recommendations, e.g. to provide analysis and findings from the Strategic Development Corridors. TfN has met with the DfT Union Delivery team and agreed to maintain close liaison. We will also continue to liaise with the other Strategic Transport Bodies in taking this agenda forwards.
 - TfN to date has no formal relationship with the Northern Ireland Executive or the government of Ireland. There may be opportunities to collaborate where appropriate, given that there are important air links from the North particularly to both Belfast and Dublin, ports on the west coast of England, Wales and Scotland are important in providing access to Ireland, there are important air links from the North to Belfast and Dublin and surface access routes pass through the North.
 - TfN could act as a facilitator and broker on several issues. Not all of the proposed UKNET is comprised of nationally-managed infrastructure, e.g. there are local roads which access ports and airports, and ports and airports themselves are generally operated by private companies. There may be a role for TfN to bring these diverse interests together, building on existing relationships. TfN can also facilitate greater integration, e.g. between UKNET and active travel modes, electric vehicle charging infrastructure and public transport where appropriate.

4. Corporate Considerations

Financial Implications

4.1 There are no financial implications arising from this report.

Resource Implications

4.2 There are no direct resource implications arising from this report.

Legal Implications

4.3 There are no apparent legal implications arising from this report.

Risk Management and Key Issues

4.4 There are no risks arising from this report.

Environmental Implications

4.5 The report provides the review of the UCR and therefore there are no environmental implications arising from this report itself. All activities undertaken by TfN as a result of the UCR will need to be align with TfN's published Decarbonisation Strategy and Decarbonisation Trajectory.

Equality and Diversity

4.6 There are no equality and diversity implications arising from this report.

Consultations

- 4.7 There are no consultations required at this point, however discussion with the Department for Transport, devolved administrations and TfN partners will be needed to clarify TfN's role in promoting Union Connectivity.

5. Background Papers

- 5.1 There are no background papers.

6. Appendices

- 6.1 Appendix 1 -Summary of TfN submission to UCR
6.2 Appendix 2 - UK Strategic Transport Network – UKNET
6.3 Appendix 3 - Transport Corridors

Glossary of terms, abbreviations and acronyms used (*if applicable*)

Please include any technical abbreviations and acronyms used in the report in this section. (Please see examples below.) This will provide an easy reference point for the reader for any abbreviations and acronyms that are used in the report.

- | | |
|----------|--|
| a) UCR | Union Connectivity Review |
| b) UKNET | United Kingdom Strategic Transport Network |
| c) IRP | Integrated Rail Plan |
| d) SDC | Strategic Development Corridor |

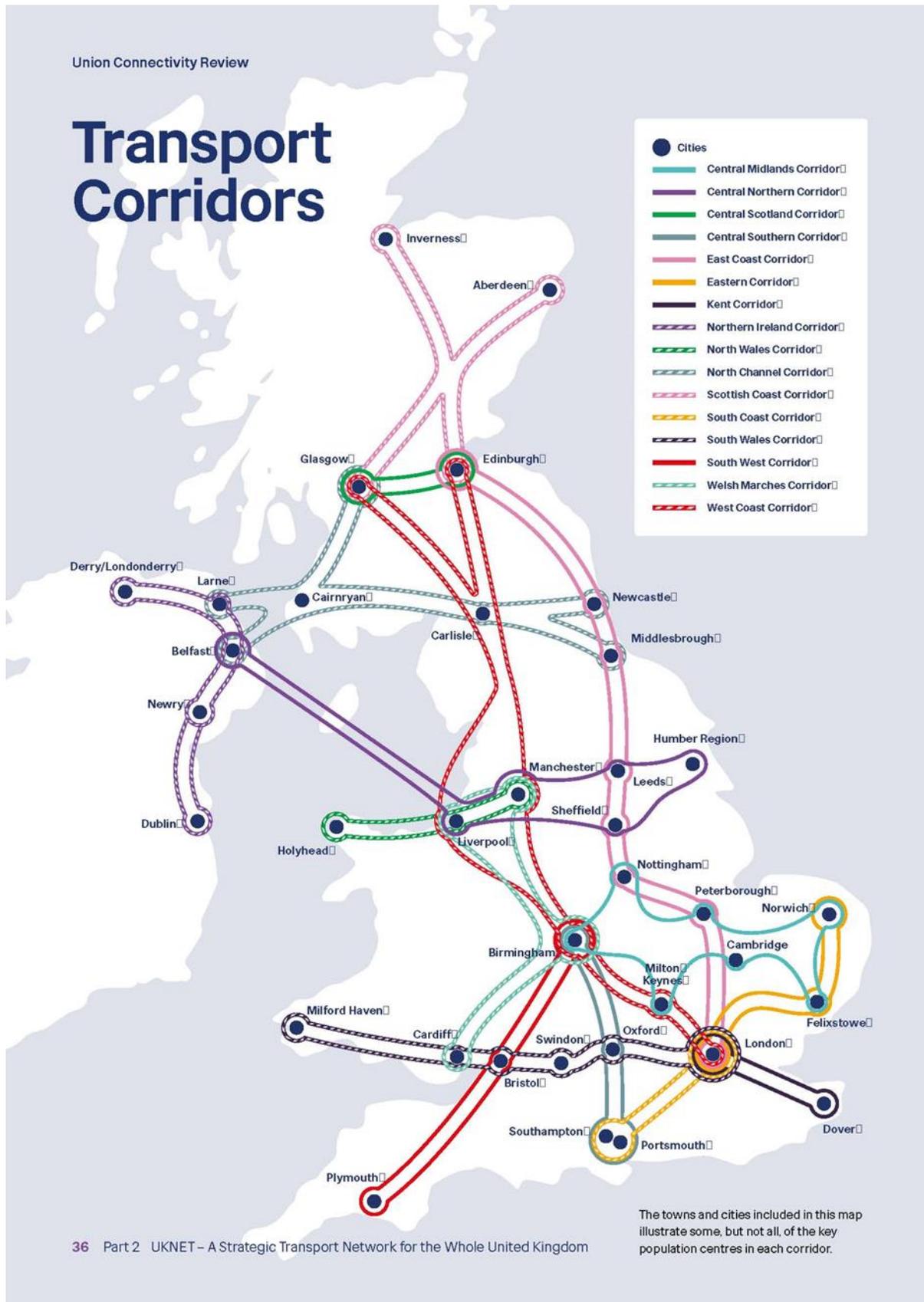
Appendix 1 – Summary of TfN Submission to UCR

Summary of points in TfN submission	Summary of UCR response
<p>The vital importance of Northern infrastructure investment in connecting Scotland, Wales and England, as well as serving important local border communities. The North has some of the country’s most congested infrastructure and investment in this is important to improve union connectivity.</p>	<p>Northern Infrastructure is recognised throughout, and the five corridors on which pass through the North all extend to other nations. The UCR is generally not specific on actual schemes but the North is well represented. It should be noted that the specific schemes that are named in the UCR are those deemed to be of significant importance to Union Connectivity. There are other important schemes in the corridors that are recommended for the broader goal of improving connectivity across the whole proposed UKNET.</p>
<p>2021 must be a pivotal year for rail investment. Key priorities identified are:</p> <ul style="list-style-type: none"> a. Early investment in the conventional network, creating capacity at key bottlenecks is across England, Scotland and Wales. b. - Early delivery of the East Coast Main Line upgrade between York and Newcastle through NPR, whilst ensuring the West Coast Mainline is upgraded and made “HS2 ready” c. - Early delivery of HS2 Crewe interventions, provision of a Warrington Bank Quay NPR station and upgrades to Chester Station to support better connectivity to Wales. d. - Upgrading the ECML in Scotland and extending NPR and HS2 services beyond Newcastle to Edinburgh. This will ensure that the key financial centres of Edinburgh, Newcastle and Leeds are fully served by fast services, and that rail provides a genuine alternative to the regional air markets (particularly Edinburgh to London), an essential step in achieving our decarbonisation objectives. 	<p>The UCR was published 8 days after the Government’s Integrated Rail Plan. That plan is the main rail investment method and although Northern Leaders have expressed disappointment with it through the TfN Board, there is an intention to invest in the North and Midlands. Commitment to Crewe Hub is welcome. The IRP refers to upgrades to the East Coast Main Line which is welcome however more detail is needed on what these are. The UCR supporting evidence recognises that “The delivery of Northern Powerhouse Rail or an alternative scheme, offering better journey times, frequencies and capacity between northern English cities is crucial to delivering improvement on the proposed UKNET.” The IRP only commits to part of the TfN preferred NPR network leaving the Humber, Sheffield – Manchester and Leeds – Sheffield off the network. All of these are within UCR corridors. It is not clear what co-ordination there has been between the UCR and IRP authors, recognising that one is advice to Government and the other a Government policy document. There are some inconsistencies, particularly on Golborne Link where the UCR text seems to predate the IRP despite being published after it.</p>
<p>A clear investment plan in place for key road connections needs to be in place, particularly the key cross border routes of the M6 / M56 in the west, and the A1 in the east, as well as alternative routes across the Welsh</p>	<p>UKNET is important here in identifying the key road and rail networks and recommending investment in these. The corridors pick up the main routes identified</p>

border such as the A41, the A51, the A54, the A55, the A550 and the A5/A483 corridor from Chester to Shrewsbury.	by TfN and how the Government responds is important.
There are clear cross border freight opportunities – both east west connections from Northern Ireland via Holyhead and Cairnryan, and north -south via the North West and North East. A key example is the Northern Ireland to North East corridor which relies heavily on both the A75 in Scotland, the M6 and the A66 and A69 trans-pennine routes across to the North East, Tees Valley, Yorkshire and the Midlands.	Freight is considered in the UCR and its importance recognised, and proposals such as the A75 improvements would be beneficial to the North despite being in Scotland. The UCR does not describe other parts of the corridor in as much detail and improvements to the A69 and other routes are needed if the North is to fully benefit from better freight links to Cairnryan. The specific freight proposals identified in the UCR are for road proposals. The rail network also needs to be enhanced to carry freight, in terms of capacity, capability including gauge and suitable electrification including last mile capability.
The UCR needs to recognise the importance of our border communities which face different challenges in terms of local connectivity. Our work on the Wales /Cheshire /Liverpool economic area is referenced in detail in our submission. We also focus on the Scottish / English borderlands community of nearly 1 million people living away from the main transport arteries, with the principal travel to work areas straddling the border.	The UCR recognises the importance of the cross-border relationship between the North West and North Wales and the disparities that exist.
We should seek to strengthen cross border relationships. TfN has developed close links with Transport Scotland, and established a new forum covering strategic West and Wales issues. We can see a clear role for sub-national transport bodies in developing proposals for a UK replacement for the Trans European Transport Network after Brexit.	The UCR does not discuss the role that sub-national transport bodies could play or acknowledge their existence in the main report. STBs are well placed to advise on UKNET and on corridors and have experience of working with each other and with Transport Scotland and the Welsh Government on matters of mutual interest.

TfN’s full submission is available at https://transportforthenorth.com/wp-content/uploads/Transport-for-the-North-UCR-Submission-Final_V4.pdf

Appendix 3 – Transport Corridors



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Meeting:	Transport for the North Board
Subject:	Strategic Transport Plan Policy Development
Author:	Lucy Jacques, Acting Head of Policy and Strategy
Sponsor:	Tim Foster, Interim Strategy and Programme Director
Meeting Date:	Tuesday 25 January 2022

1. Recommendation:

- 1.1 That the Board agree the draft policy position statements.

2. Purpose of the Report

- 2.1 Once agreed by the Board these statements will be embedded within the revised STP. They will also be used by TfN and partners to shape TfN programme activity and to influence Government policy by shaping future statutory advice we may issue.

3. Main Issues:

- 3.1 In September 2021, TfN Board agreed that TfN should commence work on a new programme of work to revise and update the Strategic Transport Plan (STP) and seek adoption of the new plan no later than Spring 2024.
- 3.2 The STP contains a wide range of policy positions, outlining how TfN works with Partners and stakeholders across the North to deliver the STP. The policy positions are used to inform statutory advice when required, ensure a consistent approach across TfN workstreams and help us turn our policies into actions, which will be a central theme in our revised STP. In preparing the programme for the revised STP, these policy positions are being assessed and, where appropriate, updated and strengthened to reflect the latest evidence, national and local policies.
- 3.3 As part of the STP programme approach, all the evidence and policy positions will be taken through TfN governance for formal sign off in phases as and when work is complete. The rationale for that was to ensure we can carefully manage our resources over the next 12 – 18 months and also allow ample opportunity for TfN partners to review and comment on the emerging evidence base and policies before we get to a near final draft.
- 3.4 These policy positions clearly set out the challenges and opportunities for TfN to add value across a range of policy areas. In addition, they propose some pan Northern policy positions we can use to provide statutory advice to Government, will be embedded into our revised STP and also identify short – medium term actions TfN can take to support implementation.
- 3.5 These position statements have been worked up by TfN officers and TfN partners via TfN's Strategic Oversight Group.
- 3.6 The first wave of these policy positions focuses on Active Travel (Appendix 1), and Multi modal hubs (Appendix 2). A third paper – relating to Spatial Planning – is undergoing further refinement following feedback from the Executive Board.

The second wave, which we expect to bring through formal governance for discussion and sign off in March 2022, will focus on International Connectivity including aviation and Rural Mobility.

Further positions will be developed early next financial year and taken through governance in due course, policy areas currently identified as a priority for early next financial year include developing TfN policy positions on Social Inclusion and Local Connectivity.

- 3.7 All of these policy positions have been developed and will be taken forward in a way that will help us deliver on the ambitions set out within our Decarbonisation Strategy and are aligned to help government achieve the net zero 2050 target.

4.0 Active Travel Policy Position

- 4.1 The Strategic Transport Plan makes a number of statements in relation to our role in supporting active travel:

- Continue to work with Partners to support the development and implementation of local plans and strategies, to deliver packages of improvements that support a more seamless, integrated end-to-end experience. By targeting short trips that could be taken on public transport or active travel, collaboratively we could encourage a modal shift and promote active transport, and further develop public transport networks as important sustainable modes of travel.
- Work with Partners to ensure that future strategic housing, commercial and industrial developments are well connected and have high expectations on developers to provide access to public transport facilities, high levels of cycle parking and storage, wide, attractive and safely lit walking routes, and provide electric charging facilities to support a greener and cleaner road network as set out in the National Planning Policy Framework.
- Work to identify and deliver interventions which improve sustainable transport access to the North's key public transport hubs, including better walking and cycling provision and improved local bus access.
- Support Partners to develop and promote measures that improve local sustainable travel options, such as strategic cycle networks, and encourage their use to make best use of the North's existing and future strategic transport networks.

- 4.2 There are several challenges with regards to delivering active travel schemes and raising participation levels in the North of England and nationally, specifically.

- A lack of clear and consistent active travel infrastructure standards across the North and nationally.
- Methods of estimating benefits of active travel schemes are less developed and embedded than those for other transport interventions.
- Funding for active travel is often given in short cycles, with a requirement to bid. This does not allow for long term planning of programmes and schemes; and leads to inconsistencies.
- Whilst the majority of active travel journeys are short, integration with the SRN, MRN and rail is key to enable multi modal journeys.

Local spatial and transport planning policy often does not enable the use of active travel for short trips and incentivises car use.

- 4.3 As a statutory sub national transport body, TfN's role is to set the overall transport vision, and to provide statutory advice on planning and priorities for large scale transport investment. Within this context, TfN supports the ambition to make cycling and walking a natural choice for shorter journeys and will work with local transport authority partners who have responsibility for local transport strategies and managing their local transport infrastructure.

- 4.4 There are four key roles TfN can play to proactively support this agenda:

- Promote and support sustained investment in active travel at local level, to enable partners to plan and implement more ambitious and longer-term schemes. TfN will ensure that the pan Northern schemes in the Investment Programme embed and prioritise active travel within the design and development process.
- Support partners in their development of proposals as appropriate and continue to raise the profile of active travel generally.
- Collate and promote examples of 'best practice' and innovation across the North from partners, that can be used by partners.
- Outline how the TfN Analytical Framework can support partners with analysis of active travel and make these tools and data available to partners where possible. For example, based on locally specific evidence highlighting the potential for increases in active travel within specific localities.

4.5 A key objective for the revised STP is to turn our policies into action, as such the active travel position statement (Appendix 1) outlines a number of specific actions TfN can take in the short – medium term to achieve tangible results, these are.

- Build relationship with Active Travel England in order to be able to discuss how the need for schemes is evidenced, funding, and how this is allocated. Primarily with regards to longevity of funding, given that Urban Transport Group (UTG) and Active Travel England's (ATE) remit will include best practice and scheme design. Signpost those partners who require it to best practice.
- Prioritise and embed active travel within pan Northern Schemes.
- TAME to apply existing tools and techniques to show the co-benefits of active travel increases as part of wider TfN workstreams.
- TfN's Analytical Advisory Group to showcase appraisal techniques
- Inclusion of active travel in TfN's Northern Evidence Hub.

4.6 At this stage, it is not proposed that TfN gets involved in sharing examples of best practice and scheme design other than to signpost partners who require it, as this is already covered well by Urban Transport Group and other bodies and will also be picked up by Active Travel England.

5.0 Multi Modal Hubs Policy Position

5.1 The STP states that "TfN will support the development and delivery of improved multimodal transport hubs at key national and international gateways in the North", and that TfN will "work with Partners to develop and implement their local plans and strategies, ensuring they complement the policies and proposals set out in the Strategic Transport Plan, to deliver packages of improvements that support a more seamless, integrated end-to-end experience."

5.2 For TfN, there are several challenges to address as we develop our multi-modal hubs policy, including:

- As a Statutory Transport Body, TfN has the remit to influence and promote strategic transport interventions, and our STP is a formal plan that should be a key consideration for any transport plans within the North. Through developing a defined policy position, TfN have the opportunity to support partners further in this area.
- The creation of a TfN multi-modal hub policy position creates greater certainty for partners around what TfN's defined role is and the added value which TfN can provide.
- Multi-modal (M-M) hubs can vary significantly both in size and demand levels, and TfN recognises the need for a flexible 'Place based' approach to supporting M-M hubs.

- 5.3 TfN as a statutory sub national transport body has a statutory responsibility to support and implement transport strategies across the North, promoting the investment priorities of the North on a national scale. Our STP is a formal plan and therefore as part of our role within multi-modal hubs, we aim to ensure the ambitions and priorities of our STP are included as a key consideration for any spatial or transport plan developed within the North by local partners.
- 5.4 Furthermore, we believe there are five key roles TfN can plan in proactively supporting this agenda.
- Making the strategic case for investment in multi-modal hubs in the North.
 - Supporting partners in the development of their proposals through access to expertise within TfN.
 - Providing partners with access to the regional evidence base to support the identification of potential multi-modal hub demand.
 - Collation of best practice for partners to apply to their areas.
 - Undertake work in support of partners to identify multi-modal hub locations which would benefit from improved passenger information / marketing.
- 5.6 A key objective for the revised STP is to turn our policies into action, as such the Multi-Modal Hubs Policy Position statement (Appendix 3) outlines a number of specific actions TfN could do in the short – medium term to achieve tangible results, these are.
- Work with local partners to identify locations for future development of multi-modal hubs or improvements to existing multi-modal hubs, and work with local partners in making the case to Government for investment.
 - Partners can seek support from TfN around their proposed development plans for multi-modal hubs. This can include seeking advice from TfN officers on making the case within business case development (i.e. ensuring TfN plans are represented in the Strategic Case) and also using communications between TfN and central Government to gain insight into future funding opportunities and Government direction.
 - Through the TfN Analytical Framework, TfN can provide data to local authorities which reflects the regional scale of travel patterns and accounts for cross-boundary trips, for both baseline demand for multi-modal hubs and forecast demand in various future travel scenarios. This can support partners in developing business cases through providing evidence of the wider spatial context, alongside support for submitting funding applications for investment in multi-modal hubs.
 - There is an opportunity for TfN to collate existing best practice which considers examples across the North, across England and internationally. This could also consider different planning requirements relevant to multi-modal hubs. This repository could be made available to local partners, for their reference in the development of multi-modal hub plans, and business case development.
 - Share the findings of TfN’s Rail Station Study to inform future investment and decision making and to assist in identifying effective measures for multi-modal hub enhancement.
 - Undertake further work to explore multi modal hubs from a freight perspective exploring freight interchanges and working with partners to explore potential locations.

6. Scrutiny and Executive Board Feedback

- 6.1 TfN Scrutiny Committee and Executive Board were consulted to seek their views on the report and appendices in advance of sharing with TfN Board for sign off.

6.2 Engagement with TfN Scrutiny Committee took place on Wednesday 12 January 2022, a high-level summary of the feedback from Scrutiny and detail on how that has been considered in the final report is provided below.

- Scrutiny was very welcoming of the policies put forward and agreed the actions identified in the policies are important areas for TfN to undertake moving forward.
- Scrutiny asked for the report to contain more reference to the alignment between these policies and TfN and National Governments Decarbonisation targets, this has been actioned in paragraph 3.7 of the report.
- Scrutiny Committee felt there is a clear role for TfN to be a depositary for best practice across these policy areas and it was confirmed that was a key action we plan to take forward.
- Scrutiny Committee welcomed the work on multi-modal hubs but noted the policy to date is focused on passenger multi-modal hubs as such they have asked for further consideration to be made to explore what this looks like for freight. In response to this a further action has added to the position itself, will be included as an additional recommendation to the final TfN Freight & Logistics Strategy and will be prioritised for further development early next financial year (2022/2023).

6.3 Engagement with TfN Executive Board took place on Thursday 13th January 2022, a high-level summary of the feedback received and detail on how this has been considered in the final report is provided below.

Executive Board were supportive of the approach taken and recognised the importance that these positions will have in shaping the revised STP. Executive Board identified a number of additional actions to be considered in the report and positions which have now been added. These included

- Making more explicit reference in the Active Travel paper to DfT's Gear Change document, which was published in July 2020,
- Including an additional action into the active travel paper to identify the role TfN can play in exerting our influence with partners and the academic sector to help develop the skill sets required to properly plan active travel needs of the future.
- Add an additional action into the active travel paper for TfN to explore how we brand our technical tools, so more people are aware of and have access to the assets.
- On multi modal hubs, the Executive Board noted the need for TfN to be seen as supporting partners in this space.

6.4 The discussion at the Executive Board identified a couple of more general points that TfN officers will consider moving forward:

- Options for improving the visibility and branding of the tools that TfN have and which are available for use by third parties – the point that was made that this would help reinforce TfN's role as a source of trusted analytical capability.
- Explore opportunities to strengthen relationships with educational and training providers with a view to helping improve the availability of key skills within the transport profession that support the shift in emphasis in policy development, the identification of investment priorities and the development of proposals.

6.5 The Executive Board acknowledged the need to set out the role of TfN in terms of spatial planning. It was pointed out that their planning agenda is one that continues to undergo change and accordingly TfN officers consider that on

balance there is further work to be done on this policy position before bringing to Board for sign off.

7. Corporate Considerations

Financial Implications

- 7.1 No direct financial implications of these policy positions beyond resource implications noted below. However, TfN's ability to undertake this work in full will be subject to its 2022/23 funding allocation and the 2022/23 business planning process.

Resource Implications

- 7.2 There are potential human resource implications associated with adopting these policy positions, namely ensuring adequate resources within TfN to deliver on the actions identified. These have already been fully considered and will continue to be worked through as part of on-going business and budget planning process for FY2022/23 aligned to TfN's overall financial position post-CSR.

Legal Implications

- 7.3 The statutory obligations on TfN under the Local Transport Act 2008 as amended by Cities and Local Government Devolution Act 2016 in preparation of the STP will be kept under review to ensure the STP is legally sound and complies with the legal requirements.

Risk Management and Key Issues

- 7.4 This paper does not require a risk assessment. TfN's Corporate Risk Register includes risks associated to the continual embedment of the 2019 Strategic Transport Plan (STP). TfN will undertake a risk assessment during the development of the new STP. TfN's ability to undertake this work in full will be subject to its 2022/23 funding allocation and the 2022/23 business planning process.

Environmental Implications

- 7.5 To accompany the STP we will be revising our existing Integrated Sustainability Appraisal (ISA), the extent to which changes to the existing ISA may be required will depend on how fundamentally different the revised STP is from our current one, as such a full review will be undertaken in due course and we will be seeking external advice on what is required in the next financial year.

Equality and Diversity

- 7.6 To accompany the revised STP we will also be undertaking an Equality Impact Assessment as part of the wider Integrated Sustainability Appraisal (ISA).

The results of the current Transport Related Social Exclusion workstream being undertaken by TfN will allow TfN and its partners to better understand the distribution and causes of TRSE in the North and will form an important part of the evidence base for the STP.

Consultations

- 7.7 A consultation is not required at this time; the statutory consultation planned for the revised STP in Summer 2023 will be undertaken in due course.

8. Background Papers

- 8.1 N/A

9. Appendices

- 9.1 Appendix 1 – Draft Active Travel Policy Position Statement

Glossary of terms, abbreviations and acronyms used

- a) Strategic Transport Plan – STP
- b) Strategic Road Network – SRN
- c) Major Road Network – MRN
- d) Urban Transport Group - UTG
- e) Active Travel England - ATE
- f) Northern Powerhouse Independent Economic Review – NPIER
- g) Transport Related Social Exclusion – TRSE
- h) Transport Appraisal Modelling Economics (TfN team) – TAME
- i) Multi-modal hubs – M-M hubs

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TfN Active Travel

Policy position statement

January 2022



Context

Active travel is becoming increasingly prominent in UK transport policy, and in public and media discourse. This rise has been driven by the UK's commitments to decarbonisation in the transport sector, by concerns over the public health impacts of a lack of everyday physical activity, and by pressures on existing transport infrastructure – particularly in densely populated urban areas. Reflecting this, the UK Government,¹ devolved administrations,² and a number of Local Authorities³ have produced strategies to increase the level active travel.

The impacts of the COVID-19 pandemic have accelerated these existing trends in the prominence of active travel. Data from the National Travel Attitudes Survey, for example, indicates that nearly 40% of respondents walked and cycled more during the period of restrictions from March to May 2020 than before the pandemic, and at the time that vast majority intended to continue to do so after travel restrictions are lifted.⁴ These trends were particularly evident in the levels of cycling, with usage levels double or triple the level of equivalent weeks at numerous times during April and May 2020.⁵

To capitalise on the growth in active travel evident during the period of England-wide COVID-19 restrictions, the UK Government launched the Emergency Active Travel Fund (EATF) in May 2020. The first tranche of this Fund allocated £42.1 million for temporary projects specific to the pandemic, and the second tranche allocated £175.4 million to longer term active travel projects.⁶ This formed part of part of the £5 billion in new funding announced for cycling and buses in February 2020. Alongside this funding, fast-tracked statutory guidance was also published which allowed Local Authorities to reallocate road space to accommodate increased numbers of cyclists and pedestrians.⁷

Alongside the EATF, in July 2020, DfT published Gear Change: a bold vision for Cycling and Walking⁸. This Plan set out the government's vision for improved health, wellbeing, and local economic growth through active travel, with the COVID-19 pandemic creating a moment for transformational change. This was accompanied by updated Cycle Infrastructure Design guidance (LTN/20). LTN/20 sets out comprehensive new standards for cycle design, along with an expectation that improvements for cycling and walking are included in other transport

¹ Department for Transport (2020) Gear change: A Bold vision for cycling and walking. [Available here.](#)

² See, for example, Transport Scotland (2021) Active Travel Framework. [Available here.](#)

³ See, for example, Transport for Greater Manchester (2018) Greater Manchester's cycling and walking infrastructure proposal. [Available here.](#)

⁴ Department for Transport (2020) National Travel Attitudes Survey (NTAS): Wave 4 provisional report. [Available here.](#) [Accessed 7th December 2020]

⁵ Department for Transport (2021) Transport use during the coronavirus (COVID-19) Pandemic. [Available here.](#)

⁶ Department for Transport (2020) Active travel fund: Final allocations. [Available here.](#)

⁷ Department for Transport (2020) Reallocating road space in response to COVID-19: Statutory guidance for local authorities. [Available here.](#)

⁸ Department for Transport (2020) Gear Change: a bold vision for cycling and walking. [Available here.](#)

schemes. In both regards, LTN/20 significantly exceeds previous design guidance.⁹

The growth in uptake of active travel during the COVID-19 restrictions in 2020 and the policy context surrounding this indicates a significant potential for future growth. However, the window to act to embed these changes is limited. In particular, the impacts of the COVID-19 pandemic on attitudes to public transport has led to increases in vehicle traffic volumes as legal restrictions eased in 2021. Alongside this, the nature and extent of schemes under the EATF has been highly varied across areas of England. This combination means that, in some areas, it is reasonable to expect the levels of walking and cycling may fall below level observed before the COVID-19 pandemic, and that the inequality in active travel uptake between areas may rise. This has implications for transport, decarbonisation, social inequality, and for public health.

Challenges

There are several challenges with regards to delivering active travel schemes and raising participation levels in the North of England and nationally.

A lack of clear and consistent active travel infrastructure standards across the North and nationally. A historical lack of national guidelines on standards, monitoring and incentives for active travel schemes has led to large inconsistencies in the standard of provision across the country. Many areas are also starting from a low base when implementing active travel schemes - particularly cycling schemes. This combination often means that active travel infrastructure does not offer safe, direct, and coherent journey options.

Methods of estimating benefits of active travel schemes are less developed and embedded than those for other transport interventions. Methods for valuing the economic, health, wellbeing, and quality of life impacts of active travel interventions are becoming more established, and a number of Local Authorities are working with DfT to enhance the models in order to better assess benefits. However, further work is required to improve the robustness of these estimates, including evaluation of existing schemes, and to embed these tools in decision-making processes.

Funding for active travel is often given in short cycles, with a requirement to bid. This does not allow for long term planning of programmes and schemes; and leads to inconsistencies. In addition, the preparation of funding bids is resource intensive for Local Authorities, and often requires Authorities to have 'on the shelf' studies / schemes, that can be readily included in bids due to the timescales. This approach to funding for active travel has a disproportionate impact on those authorities without the resources to prepare schemes for future funding allocations, and to prepare bids.

Whilst the majority of active travel journeys are short, integration with the SRN, MRN and rail is key to enable multi modal journeys. There is often a lack of infrastructure that would enable active travel to be part of a

⁹ Department for Transport (2020) Cycle Infrastructure Design – Local Transport Note 1/20. [Available here](#).

longer journey. This includes sufficient secure cycle parking at transport interchanges, the ability to carry bikes on trains, suitable routes for walking, and clear and reliable information on active travel route planning. Alongside this, the development of other forms of transport infrastructure has increasingly created severance in active travel journeys which would previously have been possible. The widening of roads and junctions, increases in traffic volumes and speeds, and the use of barriers are common manifestations of this.

Local spatial and transport planning policy often does not enable the use of active travel for short trips and incentivises car use. Currently, developments in housing, leisure, and retail facilities typically do not ensure that access by active modes is as safe, convenient, and attractive as using a car for the same journey. Indeed, it is common for new developments to prioritise car access over active modes, both in terms of their design and through decisions to locate new facilities in 'out of town' locations, where access by public transport and active modes is inherently more difficult.

Role of TfN

As a sub national transport body, TfN's role is to set the overall transport vision, and to provide statutory advice on planning and priorities for large scale transport investment. Within this context, TfN supports the ambition to make cycling and walking a natural choice for shorter journeys and will work with local transport authority Partners who have responsibility for local transport strategies and managing their local transport infrastructure.

STP Policy position

In the Strategic Transport Plan, which was adopted in 2019, the following statements are made in relation to our role in supporting active travel:

Continue to work with Partners to support the development and implementation of local plans and strategies, to deliver packages of improvements that support a more seamless, integrated end-to-end experience. By targeting short trips that could be taken on public transport or active travel, collaboratively we could encourage a modal shift and promote active transport, and further develop public transport networks as important sustainable modes of travel.

Work with Partners to ensure that future strategic housing, commercial and industrial developments are well connected, and have high expectations on developers to provide access to public transport facilities, high levels of cycle parking and storage, wide, attractive and safely-lit walking routes, and provide electric charging facilities to support a greener and cleaner road network as set out in the National Planning Policy Framework.

Work to identify and deliver interventions which improve sustainable transport access to the North's key public transport hubs, including better walking and cycling provision and improved local bus access.

Support Partners to develop and promote measures that improve local sustainable travel options, such as strategic cycle networks, and encourage their

use to make best use of the North's existing and future strategic transport networks

Wider sustainability agenda

These active travel policy positions are also linked with the other policy work that TfN is undertaking on the wider sustainability agenda:

- Support the UK in meeting commitments under the Climate Change Act 2008 by collaborating with Partners and stakeholders to deliver on Government's commitment of a NetZero transport network by 2050.
- Ensure that transport interventions that TfN is promoting or supporting enhance the North's natural, historic and built environment in order to deliver a net gain in biodiversity.
- Work with partners to identify transport interventions that deliver inclusive economic growth by improving access to employment and skills opportunities for all, as well as interventions that deliver health benefits
- Supporting a rapid increase in the number of public and private EV charging points.
- Explore options for reducing the impact of road-based travel on the environment, air quality and carbon emissions, including exploring how Highways England's Air Quality Strategy could be expanded to cover the Major Road Network through future investment on the network

Links to other workstreams

Active travel also sits across several other TfN workstreams:

- Economic Recovery Plan - active travel schemes are traditionally quicker to implement and can also ease pressure on transport networks within towns and cities. A number of these have been put forward by partners as part of recent competitive funding rounds but a number remain unfunded.
- Future Travel Scenarios and decarbonisation pathways – active travel features in all scenarios, but particularly 'Prioritised Places' and 'Urban Zero Carbon.'
- Decarbonisation - Policy measures to achieve increases in Active Travel are highlighted as supporting transport decarbonisation (and improved health outcomes).
- Through the Major Road Network (MRN) Regional Evidence Base TfN is promoting the delivery of a number of improvement schemes, including significant upgrades to cycling and walking infrastructure.
- TfN Strategic Rail are aware of the importance of active travel facilities to rail demand. In our Long-Term Rail Strategy (January 2018, p. 24), it was noted that *"Rail journeys, of any purpose, will require travel via a different mode at one or both ends. This could be undertaken via an active mode, such as walking or cycling, using public transport (bus or light rail), or in a private car or taxi. The speed, complexity and quality of these connections can have significant bearing on a passenger's perception of journey time and attractiveness."* Accordingly, Strategic Rail are currently developing a

stations strategy which will recognise the interaction between all of the elements which constitute the passenger experience, and how improving active mode access to a cluster of stations could (in conjunction with other enhancements) generate transformational improvements in the attractiveness of rail to local communities.

- Transport Related Social Exclusion (TRSE) research in the North of England will include the effects of severance and other aspects of the built environment on active travel and will produce recommendations on the mitigation of TRSE through low and zero carbon transport modes.
- Transport and health research – Research on the links between transportation and health in the North of England will expand the evidence base for active travel interventions, including where active travel is incorporated as part of public transport journeys. This research will focus on evidence gaps surrounding the interaction of transport with mental health and wellbeing, and on the effects of incidental activity.
- Clean Mobility Visions – This research workstream will review and collate evidence on the policies necessary to achieve a transition away from private car use and towards other modes, including active travel. It will also consider the evidence on the wider impacts of these policies, including for local economies, accessibility, health, and inclusion. This will result in a series of evidence-based policy options tailored to the diverse area types in the North of England.

TfN's Suggested Role in Active Travel

TfN will promote and support sustained investment in active travel at local level, to enable partners to plan and implement more ambitious and longer-term schemes. TfN will ensure that the pan Northern schemes in the Investment Programme embed and prioritise active travel within the design and development process.

Following discussion at TfN's Strategic Oversight Group, it is clear that long term, sustained investment (both revenue and capital) in active travel is vital, to enable adequate planning and implementation of whole schemes, rather than the current 'piecemeal' approach. Newly released LTN1/20 states that consideration of the opportunities to improve provision for cycling will be an expectation of any future local highway scheme funded by Government, a much stronger position than previously.

The system of local authorities having to bid for funds disadvantages those who do not have the resource or funds to put into preparing bids, or studies / high level schemes that can be used as part of bids. A longer term committed fund would enable authorities to plan more cohesively for active travel across their network, rather than the detrimental current stop/start nature of funding.

In addition to the physical infrastructure, revenue funding is also essential to ensure activities can be undertaken which will support active travel. These can include access to a bike schemes, improved information for multi-modal

journeys, maintenance of infrastructure, training schemes, audits of existing provision and identification of gaps.

The creation of the new 'Active Travel England,' a national body, will examine all applications for funding, and refuse any that are not compliant with the new national standards. It is unclear presently whether this means that authorities will have to still bid for funds through this new body.

The Cycle Infrastructure Design document published in 2020 specifically requires active travel elements alongside any new transport schemes: *Furthermore, to receive Government funding for local highways investment where the main element is not cycling or walking, there will be a presumption that schemes must deliver or improve cycling infrastructure to the standards in this Local Transport Note, unless it can be shown that there is little or no need for cycling in the particular highway scheme.*

Active Travel England's assessment of an authority's performance on active travel will influence the funding it receives for other forms of transport. Since active and sustainable travel will be at the heart of our policy, Active Travel England's assessment of an authority's performance with respect to sustainable travel outcomes, particularly cycling and walking, will be taken into account when considering funding allocations for local transport schemes. We will consult on introducing new criteria to measure local highway authorities' performance in respect of sustainable travel outcomes, particularly cycling and walking, when considering funding allocations for local transport schemes.

Action: build links with Active Travel England in order to be able to discuss how the need for schemes is evidenced, funding, and how this is allocated. TfN may have a role in demonstrating potential latent demand for cycling and walking, as well as identifying links to major transport hubs.

Action: prioritise and embed active travel within pan Northern Schemes. TfN will ensure that in its own scheme development activity (for example Northern Powerhouse Rail), and in acting as a stakeholder or sponsor on behalf of Northern Partners, that active travel is an integral element of the design and approach to pan Northern schemes.

Support partners and continue to raise the profile of active travel generally.

TfN has its own All-Party Parliamentary Group, and an event can be organised at this to discuss active travel.

Suggested areas for discussion could be the new guidance and standards, its application, and what this means for authorities. Other suggestions could include the role of active travel in reducing carbon emissions and / or improving health.

(Strategic Rail are also looking to use their own resources in this area and could include active travel in access to stations).

Action: organise an APPG event

Collate and promote examples of 'best practice' and innovation across the North from partners, that can be used by partners and exert out influence to improve the skill sets and expertise of the sector to ensure appropriate considerations are made for active travel in future planning.

When discussed at SOG on 6th August 2020, the general Partner view was that this is currently already been done well by Urban Transport Group (UTG), and any further efforts would be duplication. This area should also be covered by the new funding body Active Travel England, which will be set up over the coming months. As well as funding, it will also be a repository of expertise in scheme design, and have an extensive role in promoting best practice, advising local authorities, training staff and contractors and allowing local authorities to learn from each other. TfN can support partners if required in signposting best practice, if they are not all active in the UTG.

Action: build relationship with Active Travel England, primarily with regards to longevity of funding, given that UTG and ATE's remit will include best practice and scheme design. Signpost those Partners who require it to best practice. (It is not known at present whether the North's active travel commissioners will have a role in Active Travel England.)

Action: build relationships with training and education providers to explore opportunities to improve the skill sets of planning professionals to ensure they fully understand and can plan appropriately for future active travel needs.

Evidence: outline how the TfN Analytical Framework can support partners with analysis of active travel and make these tools and data available to partners where possible. For example, based on locally specific evidence highlighting the potential for increases in active travel within specific localities.

Active Mode Appraisal is a rapidly evolving area where DfT and Local Authorities are developing new evidence and approaches to support decision making on new investments. The DfT's Active Mode Appraisal Toolkit (AMAT) enables stakeholders and decision-makers to assess the value for money of proposed cycling and walking interventions, quantifying a wide range of potential benefits from active travel including health improvements from increased levels of physical activity; identifying transport decarbonisation impacts; and air quality and climate benefits associated with modal shift. The following impacts can now be quantified:

- Physical Activity Impacts
- Absenteeism Impacts
- Journey Quality Impacts
- Accident Impacts
- Environmental Impacts
- Decongestion and Indirect Tax Impacts
- Time Saving Impacts on Active Mode Users

TfN is not actively developing new appraisal approaches, given its more indirect role in promotion of active travel, but TAME is looking to showcase and promote the work of TfN Partners in this area through:

- Application of existing tools and techniques to show the co-benefits of active travel increases as part of wider TfN workstreams, such as TfN's Decarbonisation Pathways.
- Use of the TfN Analytical Advisory Group to showcase appraisal techniques, and as a platform for TfN Partners to promote their work within the North and to national stakeholders.

Partners are supportive of the active travel work to be incorporated into TfN's plans for a Northern Evidence Hub. Partners requested further evidence is needed on the impact of active travel on local shopping policies, and whether Northern towns could look together at the evidence for this. Partners are supportive of the active mode strategy appraisal. In addition to this Executive Board have also asked for TfN to give more specific thought to how we brand our technical tools more broadly to more people are aware of and have access to the assets an example of how this could be branded is the concept of a Northern data laboratory.

Action:

- **TAME to apply existing tools and techniques to show the co-benefits of active travel increases as part of wider TfN workstreams**
- **Consider how TfN brands its technical tools more broadly so more people are aware of and have access to the assets.**
- **AAG to showcase appraisal techniques**
- **Inclusion of active travel in TfN's Northern Evidence Hub.**

Next steps

The next steps revolve primarily around Active Travel England, and it is suggested that a meeting is held with ATE to discuss funding of active travel, and the need for this to be long term, and sustained, as well as moving away from the historical 'bid for funds' system, which was also used for the EATF this year.

In addition, TfN will also explore the possibility of an APPG event, possibly to cover the new guidance launched last year, or the emergency guidance.

Lastly, TAME will apply existing tools and techniques to show the co-benefits of active travel in wider TfN workstreams, showcase appraisal techniques through the AAG, and include Active Travel in the Northern Evidence Hub.

At this stage, it is not proposed that TfN gets involved in sharing examples of best practice and scheme design other than to signpost partners who require it, as this is already covered well by Urban Transport Group, and will also be picked up by Active Travel England.



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TfN Multi-Modal Hub

Policy position statement

January 2022



Context

The Strategic Transport Plan (STP) states that “TfN will support the development and delivery of improved multimodal transport hubs at key national and international gateways in the North”, and that TfN will “work with Partners to develop and implement their local plans and strategies, ensuring they complement the policies and proposals set out in the Strategic Transport Plan, to deliver packages of improvements that support a more seamless, integrated end-to-end experience.”

Currently, TfN does not have a developed policy position on multi-modal hubs. The scale of multi-modal hubs across the North varies significantly in both size and demand. For the purpose of this work, TfN are considering multi-modal hubs in areas of “important economic centres”¹ which can be supplemented with enhanced facilities and information features to both attract and benefit passengers. Examples of a multi-modal hub include bus park and rides, or a bus and rail interchange.

This document identifies the potential role of TfN in achieving better integration between Strategic Road Network (SRN), Major Road Network (MRN) and local public transport networks including bus and rail.

TfN intends to adopt this policy position statement and use it as a basis to help inform and support TfN programmes, the refreshed STP and TfN partners local transport plans.

TfN are looking to support partners with the development of multi-modal hub plans and can apply our pan northern evidence base to support partners in adding value to their multi-modal hub development. This will also help ensure multi-modal hub plans consider pan northern connectivity, facilitating cross-boundary travel and where beneficial, collaboration between neighbouring transport authorities.

Our ambition to support multi-modal journeys is reflective of a growing policy focus on improving integration across transport modes, for example improving rail and bus connections, and transforming rail stations into integrated mobility hubs². This includes consideration of the spatial element of the multi-modal hub itself, with a focus on efficiency, inclusive design, quality, planning and funding³ to contribute to urban realm improvements alongside overlapping transport modes. The recently published National Bus Strategy for England refers to an aspiration to develop railway stations as hubs for connecting services with high quality bus stops close to station entrances⁴.

¹ A population of <50,000 people, or perform a sub-regional function (e.g. Northallerton), represent a regionally important gateway for people or goods (e.g. Manchester Airport or the Port of Liverpool), or employment cluster (e.g. Daresbury) or university located external to a major settlement (e.g. Liverpool Hope).

² Transport Decarbonisation Plan (2021)

³ TfL Interchange Best Practice Guidelines (2021)

⁴ DfT Bus Back Better: National Bus Strategy for England

Data from the National Travel Survey shows multi-modal journeys only accounted for 3% of UK trips, and 2% of trips across the North in 2019⁵. This is a small proportion of total trips and shows significant potential for increasing multi-modal journeys through identifying potential demand which could be enhanced through improved integration and transport options.

The differences between multi-modal hubs across urban and rural areas of the TfN geography is recognised, with equal consideration given to both area types. This includes the varying needs, with urban areas more likely to have ambitions to reduce traffic levels and rural areas more likely to be focused on improving accessibility and managing the peak traffic levels generated by the visitor economy.

As such, case studies of different locations have been developed to show the scale of multi-modal hubs in different areas as part of setting the context for the development of the policy position.

Case Study Evidence Base

Transport for Greater Manchester

- Transport for Greater Manchester (TfGM) are responsible for co-ordinating transport services across the ten Greater Manchester districts.
- The Greater Manchester 2040 Strategy makes reference to the development of Greater Manchester Travel Hubs, which have improved pick-up and drop-off provision, access to cycle facilities and access to electric vehicle charging points. Travel Hubs aim to have a more rounded view of improving access to rapid transit stops and stations by increasing rapid transit customer numbers, whilst decarbonising access to rapid transit stops and stations. A pipeline of Travel Hubs is being developed and, subject to funding, would see 1 to 2 Travel Hubs implemented per Greater Manchester district over a five-year programme.
- Additionally, there is reference to the development of hubs through improved demand responsive travel, multi-modal ticketing and payment, and the evolution of park-and-ride. There are currently 21 park-and-ride sites within Greater Manchester.
- TfGM are also developing a strategy and pipeline of potential sites for mobility hubs away from rapid transit nodes, alongside the development of a toolkit to assist in identifying the most suitable locations for mobility hubs.
- TfGM have provided feedback that TfN contributions in this area would be beneficial for the design of HS2 / NPR stations, alongside the development of interchanges, Mobility Hubs and Travel Hubs. This could be supported by a **TfN produced design guide, coordination of collaborative working on hub development, and any additional evidence for mobility hub demand**. The process of site selection and business case / operating models is identified as a current knowledge gap.

⁵ National Travel Survey (2019)

East Riding

- There is an existing Park and Ride in Bridlington and this provides a service to the Bridlington resort via both land train and bus.
- There are a number of locations within the East Riding area which have been identified as areas of potential development for future multi-modal hubs. These include a proposed park and rail / bus facility with EV charging and cycle parking in Brough, and a potential Parkway station at Melton. There is also overall support and implementation for cycle parking at railway stations where there is evidence of demand.
- The East Riding Local Transport Plan Bus Strategy refers to the development of cycle parking at bus stations and significant hubs, to encourage multi-modal journeys. There is also reference to encouraging multi-modal journeys i.e., the Bridlington Bus / Rail Interchange.
- TfN work in this area would be most beneficial in providing evidence of the potential demand to support identification of locations, and to assist with business case evidence.

Role of TfN

As a sub national transport body, TfN's role is to set the overall transport vision, and to provide statutory advice on planning and priorities for large scale transport investment. Within this context, TfN supports the development of multi-modal hubs in the North and this policy position aims to set out the role of TfN in this area for future development.

Challenges & Opportunities

For TfN, there are several challenges to address as we develop our multi-modal policy, including:

- As a Statutory Transport Body, TfN has the remit to influence and promote strategic transport interventions, and our STP is a formal plan that should be a key consideration for any transport plans within the North. Through developing a defined policy position, TfN have the opportunity to support partners further in this area.
- The creation of a TfN multi-modal hub policy position creates greater certainty for partners around what TfN's defined role is and the added value which TfN can provide.
- Multi-modal (M-M) hubs can vary significantly both in size and demand levels, and TfN recognises the need for a flexible 'Place based' approach to supporting M-M hubs.

Links to other workstreams

- Strategic Rail – supporting the development of new and existing rail stations as multi-modal hub locations, with coordinated timetables and facilities (i.e. EV charging points). Also applying best practice / guidance to the spatial elements and provision of facilities in multi-modal hub development. This includes the development of multi-modal hubs at NPR / HS2 stations. The focus is achieving integration of all rail services, links to other forms of public transport, active travel modes and integration with land use planning to promote appropriate development.
- Decarbonisation Strategy - the draft TfN Decarbonisation Strategy outlines the commitment from TfN and partners to a regional target of near-zero carbon surface transport network by 2045.
- Clean Mobility Visions – will gather evidence and produce contextualised examples of how better integration between public transport modes, and between private and public transport, can reduce levels of car use. This is to support decarbonisation, health, and social inclusion.
- Major Roads Report – supporting a reduction in urban centre trips through encouraging park-and-ride sites.
- TfN Freight Strategy - the draft TfN Freight Strategy outlines the ambitions for freight growth and support across the North.
- TfN Spatial Planning policy position – Delivering high-quality, accessible multi-modal hubs should be embedded in new developments to promote public transport, active travel and car sharing, whilst reducing single car occupancy. For spatial planning, multi-modal hubs can transform and revitalise communities through supporting increased density and mixed-use development around public transport hubs, enhancing the attractiveness of public transport across all parts of the North.
- TfN Active Travel policy position - TfN is supportive of active travel journeys across the North, and supports active travel trips to and from multi-modal hubs.

TfN’s Role in Multi-Modal Hubs

As noted within the context section, TfN as a Sub National Transport Body (STB), has a statutory responsibility to support and implement transport strategies across the North, promoting the investment priorities of the North on a national scale. Our STP is a formal plan and therefore as part of our role within multi-modal hubs, we aim to ensure the ambitions and priorities of our STP are included as a key consideration for any spatial or transport plan developed within the North by local partners.

Action: Making the case for financial investment in multi-modal hubs in the North

Evidence: *Support for multi-modal hubs in wider Government policy is growing and there is scope to increase the number of multi-modal journeys in the North. There is an opportunity for TfN to work with local partners to identify locations for future development of multi-modal hubs or improvements to existing multi-modal hubs, and work with local partners in making the case to Government for investment.*

Action: Supporting partners through access to expertise.

Evidence: *Partners can seek support from TfN around their proposed development plans for multi-modal hubs. This can include seeking advice from TfN Officers on making the case within business case development (i.e. ensuring TfN plans are represented in the Strategic Case) and also using communications between TfN and central Government to gain insight into future funding opportunities and Government direction. TfN can facilitate communications between local partners and DfT, through inviting the correct DfT representatives to provide updates on multi-modal hubs at partner engagement meetings (i.e. Major Roads Group, Strategic Oversight Group).*

Action: Providing partners with an evidence base of potential multi-modal hub demand.

Evidence: *Further work is required to explore multi modal hubs from a freight perspective exploring freight interchanges and potential locations for that.*

Action: Add this as a further recommendation within the final TfN Freight and Logistics Strategy and prioritise this activity in 2022 – 2023 financial year through the business plan.

Evidence: *Through the TfN Analytical Framework, TfN can provide data to local authorities which reflects the regional scale of travel patterns and accounts for cross-boundary trips, for both baseline demand for multi-modal hubs and forecast demand in various future travel scenarios. This can support partners in developing business cases through providing evidence of the wider spatial context, alongside support for submitting funding applications for investment in multi-modal hubs.*

Action: Collation of best practice for partners to apply to their areas

Evidence: *There are various existing best-practice documents which relate to multi-modal hubs, however the guidance has a tendency to focus on larger scale hubs than those of a smaller scale i.e. in rural areas or smaller towns. Those hubs which may be considered small on a broader scale, are often significant for the surrounding rural area and therefore the development of such hubs is key.*

For example, Government documents such as the Transport Decarbonisation Plan and Bus Back Better make reference to the support for multi-modal hubs, however there is minimal reference to guidance on the development of hubs. There is guidance within international best practice, however there may be lower levels of applicability of this guidance for some local partners. Similarly, Transport for London have issued guidance on principles which could be considered in the development of hubs.

There is an opportunity for TfN to collate existing best practice which considers examples across the North, across England and internationally. This could also consider different planning requirements relevant to multi-modal hubs. This repository could be made available to local partners, for their reference in the development of multi-modal hub plans, and business case development.

Action: Undertake work to identify multi-modal hub locations which would benefit from improved passenger information / marketing

Evidence: *A clear element of TfN's role is to help prioritise investment across the North. TfN have recently commissioned a Stations Study to identify which rail stations would provide the best value for money if ticketing information and wider marketing improvements were implemented.*

TfN can share the findings of the Study to inform future investment and decision making and to assist in identifying effective measures for multi-modal hub enhancement.

Next steps

Engage with partners on the identified "actions" and seek feedback on whether this is reflective of their thinking, and whether these actions are considered useful to them in the development of multi-modal hubs.



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