

Transport for the North Board Agenda

Date of Meeting	Wednesday 20 March 2024
Time of Meeting	10.30 am
Venue	Brigante Suite, Hilton Leeds City, Neville Street, Leeds, LS1 4BX

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Item No.	Agenda Item	Page
1.0	<p>Welcome & Apologies</p> <p>The Chair to welcome Members and the public to the meeting.</p> <p>Lead: Chair</p>	
2.0	<p>Declarations of Interest</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</p> <p>To approve the minutes of the meeting held on 14 December 2023 and to consider the matters arising update and the Quarterly Operating Report.</p> <p>Lead: Chair and Martin Tugwell</p>	5 - 34
4.0	<p>Avanti West Coast Performance</p> <p>To consider the referral of the Rail North Committee to discuss and agree what actions are appropriate to secure improved performance.</p> <p>Lead: Steve Montgomery (First) and Darren Oldham</p>	To Follow

5.0	Transforming the North: Strategic Transport Plan Approval and Adoption To approve and adopt the revised Strategic Transport Plan. Lead: Katie Day	35 - 148
6.0	Approval of the 2023 Accounts To approve the 2023 Accounts. Lead: Paul Kelly	149 - 210
7.0	Budget and Business Plan 2024/25 To consider and approve the Business Plan and Budget. Lead: Martin Tugwell/Paul Kelly	211 - 236
8.0	Corporate Risk Register and Risk Management Strategy To consider and agree the updated Corporate Risk Register. Lead: Paul Kelly	237 - 248
9.0	Governance Update To consider and agree the recommendations of the General Purposes Committee on business representation on TfN Lead: Julie Openshaw	249 - 252
10.0	Department for Transport National Bus Strategy To receive an update on the National Bus Strategy from DfT, and to identify key issues for TfN to include in its future advice to the Secretary of State. Lead: Stephen Fidler (DfT) and Kirsten Keen	253 - 256
11.0	Rail Reform Pre Bill Scrutiny To consider and agree TfN's submission to the Transport Select Committee pre-legislative scrutiny of the draft Bill. Lead: Alex Woodall	To Follow
12.0	Rail North Committee Update To note the update from the Rail North Committee Lead: Darren Oldham	257 - 260
13.0	Date and Time of Next Meeting The next meeting will be held on Tuesday June 18 at 10.30am.	

Transport for the North Board Minutes

**14 December 2023
Hacienda Suite, Holiday Inn Manchester**

Present:

Lord McLoughlin (Chair)

Attendee

Cllr Phil Riley
Cllr Louise Gittins
Cllr Anne Handley
Cllr Paul West
Mayor Andy Burnham

Cllr Mark Ieronimo
Mayor Steve Rotheram
Cllr Martin Gannon
Cllr Tim Mitchell
Mayor Oliver Coppard

Cllr Stephen Harker
Cllr Hans Mundry
Cllr Neil Hughes
Mayor Tracy Brabin
Cllr Peter Kilbane

Local Authority

Blackburn with Darwen;
Cheshire West & Chester;
East Riding of Yorkshire;
East Riding of Yorkshire;
Greater Manchester Combined
Authority;
Hull;
Liverpool City Region;
North East Combined Authority;
North Lincolnshire;
South Yorkshire Mayoral Combined
Authority;
Tees Valley;
Warrington;
Westmorland and Furness;
West Yorkshire Combined Authority;
York

Rail North Authorities Attendees

Cllr Carolyn Renwick

Derbyshire County Council

Local Enterprise Partnership (LEP) Attendees

Roy Newton
Mark Rawstron

Cheshire & Warrington LEP
Lancashire LEP

Partners in Attendance:

Amy Williams
Rob McIntosh
Nick Bisson
Emma Ward

National Highways
Network Rail
DfT
DfT

Officers in Attendance:

Name
Martin Tugwell

Job Title
Chief Executive

Gary Rich
Katie Day

Julie Openshaw
Darren Oldham
Joanne Barclay

Democratic Services Officer
Director of Strategy, Analysis and
Communications
Head of Legal
Rail and Road Director
Senior Solicitor

Item No: **Item**

1. Welcome & Apologies

- 1.1 The Chair welcomed Members and apologies were received from Mayor Driscoll, Cllrs Kemp, Duncan, Rollo, Swinburn, Lynn Williams, Browne, Swarbrick, Scott Smith, Tom Smith as well as Helen Simpson, Alex Batey, Alyson Armett, Justin Kelly and John Hall.
- 1.2 The Chair welcomed Ms. Emma Ward the Director General of Roads and Local Transport from the DfT. He also noted that he had received written comments from Mayor Driscoll in relation to the papers before the meeting.

2. Declarations of Interest

- 2.1 There were no additional 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 27 September 2023 were considered.
- 3.2 Members received at the same time a written update on matters arising (including a copy of the Quarterly Operating Report) from the Chief Executive. The Chief Executive noted that at the last meeting, Board had agreed its response on Ticket Office closure proposals put forward by the train operators, which the Government has subsequently instructed operators to stop. He noted that there are on-going conversations through the Rail North Committee on opportunities to redefine the role of stations in their communities through the 'Stations as a Place' initiative promoted by Northern. He also noted that the new statutory advice on rail issues in and around Manchester/Stockport, which was signed off at the previous meeting was even more relevant given the decision to cancel HS2 phases 2a and 2b.

Members were informed that there will be a substantive item on buses at the next meeting and their attention drawn to the current position on the proposals for the major road network set out in the note. He then informed Board that the next TfN Conference will take place on the 5 February 2024 in Liverpool. Members will be receiving further information about this shortly.

- 3.3 Mayor Brabin requested that the minutes of the previous meeting recorded her contribution to the discussion on the future of HS2: specifically, the concern she expressed about the impact that cancelling

later phases of HS2 would have for the North as a whole, and her concern about the lack of progress with identifying a long-term solution Leeds Station. The meeting agreed to so amend the minutes.

3.4 Cllr Hughes raised, in the context of the Government's Network North announcement, the issue of the Bus Service Improvement Plan (BSIP) and requested clarity on whether this would be an annual award, as working in this way hinders forward planning.

3.5 Cllr Mundry raised his concern that the North had lost out on funding following the cancellation of HS2 Phases 2a and 2b. Additionally, he emphasised the importance of having mechanisms put in place to monitor progress with how the money is being spent.

He also requested that the Western link in Warrington be included in future thinking on investment priorities.

The Chair agreed that progress in delivering commitments set out in the Network North document need to be monitored.

3.6 The Chair welcomed Ms Ward and expressed TfN's eagerness to work with the Department to get the best deal for North following publication of the Network North document. He stated that the conference announcement had given rise to widespread concerns across the North of England.

3.7 On the issue of HS2 Ms Ward recognised that the decision taken on this would not be one that everyone on the TfN Board would support. She was keen that the TfN Board and the Department explore collaboratively how the opportunities presented in the Network North proposals can be grasped.

Addressing the issue of long-term funding certainty raised earlier by Cllr Hughes she stated that huge strides have been made in this area in recent years and that aspects of the Network North document look to build on that. She highlighted a number of areas where the Department has put long term funding in place including City Region Sustainable Transport Settlements (CRSTS) allocations, local highways maintenance allocations, and the prospect of Local Integrated Transport Settlements (LITS) for local authorities outside of Mayoral Combined Authorities.

She stated her belief that this has the ability to be transformational in local places and make a difference to the way people perceive investment in transport and address concerns that the general public may have. She emphasised the fact that Network North will provide a transformational opportunity to drive better connectivity within towns, as well as between towns and cities, and improve everyday journeys for the public.

She emphasised to the Board that the Department is ready to work with it and TfN officers./On the issue of BSIPs she set out the progress that has been made since securing long term funding across some Departmental budget lines. She highlighted the decisions of Ministers as evidence that they understand how long-term certainty is what will make

the biggest difference. She also highlighted the significance of the Government investment to support the £2 bus ticket initiative.

- 3.8 Cllr Gannon highlighted the fact that the investment decisions being made are ultimately Treasury decisions. He welcomed the long term funding approach and the amount of money that the North East will be receiving for transport as part of their new Mayoral Combined Authority. However he then served to illustrate how, if the figures are broken, the amount of additional money would be around £140 million up to 2027. He emphasised that whilst an increase in funding was always to be welcomed, the reality was that it would not be enough to achieve the agreed policy outcomes for the North East.

- 3.9 Mayor Coppard asked whether the Secretary of State had been invited to the meeting. In addressing the issue of cynicism around the Network North announcement Mayor Coppard stated that this comes from the communities that Board Members represent where they have had to endure sub-standard transport for many years. After being promised improvements, these have been taken away and replaced with a series of announcements that do not have planning and business cases in place and which will take years to deliver.

He reminded the Board that South Yorkshire is the biggest region in the country not to be granted BSIP money and that there has been a 40% decrease in bus routes across South Yorkshire over the last decade. He stressed the urgency of this matter and looked for comments as to how this can be addressed as people are missing out on important everyday events due to there being no available bus services. He requested data on the extent to which the £2 bus fare has driven up demand.

The Chair informed Board that Ministers had been invited but the meeting clashed with Transport Ministers' Questions in Parliament. The TfN Executive was liaising with Ministers' private office on inviting Ministers to attend a future Board meeting.

- 3.10 Mayor Brabin highlighted that travel between Manchester and Leeds is always going to be a challenge, with 46% of rail journeys delayed or cancelled: she argued that improving East West connectivity is an issue that Network North does not address sufficiently. She looked for a commitment for the T-shaped station at Leeds as the long-term solution for the station, which is the 3rd largest source of delays across the entire rail network. She emphasised that without a fundamental shift in capacity, fast trains from the new Bradford station and Manchester will not be able to get into Leeds.

On the issue of the safeguarded land, she stressed that this must continue for the present because priorities change and TfN must ensure that decisions made now do not curtail ambition for the future. She requested that the Department works with Leeds City Council to ensure that this is the case.

Whilst welcoming the money being spent for a mass transit system for Leeds, she sought clarity from the Department as to how the remaining Leeds Area Study money will be spent. Mayor Brabin emphasised the

importance of the electrification of both the line between Leeds and Sheffield and that to Hull.

3.11 On the issue of Manchester to Liverpool rail connectivity, Cllr Mundry emphasised the importance of Warrington Bank Quay station and asked for it to be included as part of the consideration of that link. He also suggested an opportunity for a turnback in Warrington which will double the capacity between Manchester and Liverpool at a minimal cost. Mayor Rotheram was supportive of the need to consider such suggestions.

3.12 In response to Members' questions and comments Ms Ward addressed a number of the points. She confirmed that she will ensure Members views will be shared with Ministers.

On the points on funding levels she acknowledged the Board's concerns on this; however, she shared her experience of working with local authorities on securing local growth deals and associated funding and stated the benefits of funding being consolidated to provide longer term. She highlighted that this is what is now being done through successive rounds of CRSTS and the new local integrated funding settlements.

She acknowledged that there will be differences of opinion as to what is new and old money but emphasised that there has been a shift in the emphasis given within the Department on the North's needs.

In addressing Members' comments on buses Ms Ward offered to try to get the Director with responsibility for buses to attend the next TfN Board meeting. She recognised Members' concerns about the BSIP funding and understood the concerns expressed as to what the lack of BSIP funding meant for a number of TfN partners. She stated that she would take away for further consideration the comments made by Mayor Coppard with regards to the issues in the South Yorkshire area.

On the issue of increased bus patronage (as a result of the £2 fare initiative), Ms Ward stated that the Department does not currently have full national picture; however she noted that on some routes and in some places there has been a demand effect but cautioned as to whether this is solely due to the £2 fare.

3.13 Mayor Rotheram expressed his disappointment that the funding previously identified for HS2 has not all been allocated to the North and requested clarity from the Department as to how the HS2 funds have been reallocated. Additionally on the issue of BSIP he suggested that it should be a priority to get a fleet of zero emission buses across the North in support of its ambitions to decarbonise the transport system and improve air quality.

3.14 Cllr Gannon highlighted the impact of the £1 bus fare for under 21s in North East and committed to making this information available to the TfN executive.

3.15 Ms Ward sought to clarify how the money previously allocated to HS2 would be allocated. She explained that the money allocated to HS2 in the North would be spent on projects in the North, which is a total of £19.8 billion.

- 3.16 Mayor Coppard built on comments made by Mayor Rotherham and supported the need for clarification on the full costs being saved as a result of the cancellation of HS2 and how this money will be allocated to the North.
- 3.17 In summing up the discussion, the Chair noted that whilst the progress being made with Combined Authorities in terms of devolution and longer term budgets was welcomed, it was clear that the concerns of Board meant that clarity is still needed on a number of significant issues.

Resolved:

- 1) That the minutes of the Transport for the North Board held on 27 September 2023 be approved as a correct record.
- 2) That the written Matters Arising update and the Quarterly Operating Report, be noted.
- 3) That Ms Ward's update on Network North and Member's comments be noted.

4. Transforming the North

- 4.1 Members received the report of the Chief Executive who outlined the key aspects of the report, noting in the process that the preceding discussion had highlighted areas of concern that were themselves captured in the covering paper.
- 4.2 Mr Roy Newton raised the issue of constraints on the West Coast Main Line that will not be addressed because of the cancellation of HS2 north of Birmingham. He stated that work being undertaken by partners in the wider Crewe sub-region should not be taken in isolation but coordinated as part of the wider commitment to level up the North. In this he requested TfN's help with this as local partners develop their proposals. He welcomed TfN's support in seeking additional funding to enable partners to examine the implications of the cancellation of HS2 and what it means in terms of alternatives for local transport. The Chair highlighted the work being commissioned by Mayors Burnham and Street which will have an impact for the Cheshire area and stated that TfN would monitor progress with it.
- 4.3 Mr Rawstron stated that urgency is needed in getting the clarification on the strategic issues identified in the covering paper, emphasising that cancellation of HS2 north of Birmingham has led to private sector investment being put on hold. He highlighted that in order for additional private sector investment to be unlocked there needs to be clarity provided as a matter of some urgency.
- 4.4 Given the extensive discussion under the preceding item and the extent to which it had considered items set out in the covering paper for this item, the Chair moved the recommendations before the meeting.

Resolved:

- 1) That Board approves the following advice to the Secretary of State:

- i) Until such time as an alternative set of proposal(s) for improved connectivity and capacity between the North and the Midlands has been identified, safeguarding associated with HS2 should remain in place;
 - ii) Where there is agreement with the relevant local transport authority(ies) that it is appropriate, the safeguarding associated with HS2 should be lifted at the earliest opportunity;
 - iii) Where funding is allocated through Network North this should be ring fenced for transport purposes, and authorities should be allowed to manage allocations as a programme of investment;
 - iv) As the Secretary of State's statutory partner, the Department for Transport should look to the TfN Board to provide oversight and leadership in co-ordinating activities of pan-regional significance arising out of the Network North document.
- 2) That to improve efficiency of delivery, Board approves that TfN should work with the Department for Transport, the National Infrastructure Commission and other Government Departments, to build on TfN's existing analytical capability to develop a Northern Appraisal Framework: one that whilst consistent with the requirements of HMT, better reflects the situation in the North.
- 3) That Board approves the publication of the revised Strategic Transport Plan at the earliest opportunity, to ensure that the statutory framework within which specific proposals, including those identified through the Network North document, are brought forward is up to date.
- 4) That it be approved that TfN work with the Department for Transport to update the Co-sponsorship Arrangement for Northern Powerhouse Rail (NPR) so as to strengthen the role of partners in agreeing and then taking forward the NPR proposal in light of the Network North document.
- 5) That TfN should engage with the National Infrastructure Commission on their proposed rail study for the North arising out of the National Infrastructure Assessment 2 (NIA2).
- 6) That TfN should work with the Welsh Government to determine the priorities for investment on the North Wales Main Line.
- 7) That TfN should work with its partners to identify the resource requirements (both financial and skills) arising from the need for additional work to be undertaken in order to develop specific proposals as a consequence of the Network North document.

5. Strategic Transport Plan Update

- 5.1 Members received the report from the Director of Strategy, Analysis and Communications who outlined the key points of her report.

Resolved:

- 1) That Board endorses the decision to defer the adoption of the STP (until March 2024) to enable us to work with our partners to fully consider the implications of the Network North announcement.
- 2) That Board notes the work to date to amend the document post consultation.

6. Strategic Transport Plan Implementation

- 6.1 Members received the report from the Director of Strategy, Analysis and Communications who outlined the key points of her report.
- 6.2 Mayor Brabin highlighted the importance of having figures included in the report that illustrate the level of investment needed in the North. In this context she emphasised the need for the STP to be strengthened by setting out an investment programme for the North that can be used to frame the Board's advice on pan-regional investment priorities.
- 6.3 Cllr Mundry emphasised the importance of continuing to speak with one voice and have one vision for the North: a view that was endorsed by the meeting.
- 6.4 In response to Mayor Brabin's comments the Chief Executive noted that there will be a spending review in the near future and that this is a good time to have the evidence base to illustrate what is needed to deliver outcomes relating to the economy, environment and societal benefits.

Resolved:

- 1) That Board supports the development of advice focused on improving the efficiency and effectiveness of implementation;
- 2) That Board's comments be noted on the proposal to focus TfN's advice around the themes of:
 - i) System Reform
 - ii) The role of TfN in enabling and supporting implementation
 - iii) The development of a strategic (pan-regional) infrastructure pipeline.

7. Rail North Committee Update

- 7.1 Members received the report from the Rail and Road Director who outlined the key points of his report, highlighting in particular the discussions and subsequent actions following the Committee's consideration of the proposed East Coast Main Line (ECML) timetable change. He set out to the Board that – given the timescales involved – the RNC had resolved to ask this meeting to consider and agree TfN's position on the proposal.
- 7.2 Cllr Gannon informed the Board that following the Rail North Committee he had presented the ECML proposals to the North East Joint Transport Committee and it was the unanimous view of the seven authorities that

they did not wish to endorse the timetable changes. He explained that the decision not to electrify the Leamside line in the 1980s has caused a capacity issue on the ECML line which is constraining the area economically and socially. He added his concern that whilst there is currently no direct TPE service to Manchester, when TPE is able to start running a service he remained concerned that the lack of capacity on the ECML would not allow for it to be reintroduced.

He highlighted the benefits to both the North East and the UK as a whole of additional pan-regional services. He highlighted that in the letter from the Rail Minister to TfN (which had been circulated to the Board shortly prior to the meeting), a commitment was provided that interventions would begin to be put in place by 2027 subject to business case approvals and budgets. As a result of these reassurances and the benefits the timetable change will provide to the rest of the country, Cllr Gannon stated he would support the motion being put forward. In doing so he requested that the rest of the Board continue to support the North East on this matter by ensuring that the commitments made by the Rail Minister were delivered.

- 7.3 Mr Rob McIntosh explained that in 2021 Network Rail had concluded investing £1.2 billion elsewhere along the ECML corridor. He went on to set out how the proposed timetable change would enable the benefits of that investment to be realised by passengers along the corridor, in particular residents of the North. Additionally, he set out how the Department is funding Network Rail to progress the work to deliver the seventh path north of York, which is an important step in enabling improved pan-regional connectivity. In this regard the 2024 timetable is an interim step to further investment on the East Coast Mainline.

Mr Nick Bisson added that the Department is required to have a long-term plan of rail enhancements (the Rail Network Enhancement Programme (RNEP)) and he confirmed that the money required to deliver further improvements north of York has already been earmarked within the RNEP, subject to the completion of the development piece and business case.

- 7.4 Mayor Brabin sought clarification on the implications of the timetable for services to/from Bradford Foster Square, citing the importance of direct routes between Bradford and London.
- 7.5 Cllr Kilbane stated that the challenges facing the ECML had been worsened by the previous cancellation of the Eastern Leg of HS2. He added that with capacity a finite issue the regulators were now in a position of having to choose between passengers and freight.
- 7.6 The Chief Executive made Board aware that Mayor Driscoll had also provided comments on the proposed ECML timetable changes, in which he set out his clear concerns about the proposals before the Board.
- 7.7 The Chair, noting that there were no further contributions on the specific issue of the ECML timetable proposal drew the meeting's attention to a revised recommendation tabled by the TfN Executive. He outlined that

this sought to capture the concerns of the Board in accepting the proposed timetable amendments for 2024.

- 7.8 Mayor Burnham (Chair of the Rail North Committee) then provided the Board with an update on the work of the RNC.
- 7.9 He informed Board that the issue of addressing access to rail stations had been identified by the Committee as a key priority moving forward, so fundamental is the issue to its work. A Member Task and Finish group has been established and he emphasised the importance of the TfN Board keeping issues of accessibility at the forefront of its deliberations at all times./Mayor Burham advised the Board that the Committee had also received updates from Avanti, Northern and TPE. He highlighted that since the Committee had met in the middle of November Avanti's performance on the West Coast Main Line had significantly deteriorated further, whilst also noting high cancellation levels across all three operators. He then provided up to date cancellation and reliability figures for each of the operators.

In setting out the deep frustration and anger amongst the business and wider community arising from the performance of Avanti West Coast he highlighted the significant negative economic and social impact this is having in the run up to Christmas.

He informed Board that the latest industry figures he had access to showed that 49.5% of Avanti trains arrived within the accepted timescales and 27% of trains were either cancelled or seriously delayed. He further stated that on the day of the meeting Avanti had cancelled 37 trains and that there were 11 part-cancellations due to train crew shortages. He reminded the Board that these issues were in themselves should be viewed in the context of the problems posed by an already reduced the timetable in the run up to Christmas. He invited the meeting to consider suggestions as to how this issue can be remedied.

- 7.10 Members were supportive of Mayor Burnham's comments about the extent to which the performance of Avanti was unacceptable. Cllr Gittins highlighted that direct services to/from Chester and North Wales had been decimated and she was concerned that the more services are taken away, the less likely it becomes that they will be reinstated.
- 7.11 Cllr Riley raised a wider issue of "short forming" amongst some operators and how this leads to unacceptable impacts on the comfort of passengers travelling with many left standing for the entire journey. He noted that this was happening on a daily basis for many people and emphasised the importance of the operators giving greater consideration as to the comfort of passengers.
- 7.12 Mayor Brabin stated that the resilience of the wider rail network is not where it should be due to the challenges in places such as Greater Manchester and Leeds, where limitations on capacity are a constraining factor.

She then addressed the issue of accessibility explaining that 71% of stations in West Yorkshire are not accessible: a fact that she considers to be unacceptable. In this she welcomed the focus being provided by the

RNC and welcomed the Task and Finish Group. Additionally, she drew the Board's attention to how the cost of the maintenance of new stations is transferred to local authorities, who already have stretched budgets. She cited West Yorkshire's experience with the new White Rose Station: whilst construction of the station is developer funded, the cost of operating the station for its lifetime has to be picked up by the Combined Authority. Mayor Brabin argued that this is a disincentive to supporting such development and further highlights the extent to which separating rail revenue and costs in the way the system currently does needs to be addressed. This, she stated, makes being ambitious on accessibility even more difficult as authorities have all of the costs and none of the revenues to help. She urged that there needs to be an examination of how funding for stations operates with a view to ensuring that such matters are addressed as part of the promised rail reform measures.

- 7.13 Mayor Coppard commented on the need for the Board to ensure that its debates and discussions benefit from ensuring that it has more voices that are representative of the diversity of the communities they represent. He requested that the TfN executive be asked to give this matter further consideration. The Chief Executive assured the Board that the executive would come back to the Board on this issue at its next meeting.
- 7.14 Cllr Hughes brought the Board's attention a concern that Avanti West Coast was still giving consideration to closing some of its ticket offices despite the industry wide proposal to close ticket offices being scrapped. He asked if TfN could examine this matter further.
- 7.15 Cllr Gannon raised a wider point about the issues of quality of train services and concerns that the investment in infrastructure and services was insufficient to achieve the desired transformation of the Northern economy. In doing so he emphasised the importance of seeing investment in the railways in terms of improving economic, environmental and social benefits.
- 7.16 In summarising the discussion, the Chair stated that it was clear there was widespread frustration and concern shared by all Board members about the performance of Avanti. In light of this he proposed that he and Mayor Burnham (as the Chair of the RNC) write jointly to the Secretary of State setting out the Board's collective view that Avanti's performance was not acceptable. He went on to propose that the letter should set out the need for the Department to undertake an urgent review of Avanti's performance, and that in conducting the review the Department should consider any and all options available to it.
- 7.17 Mayor Burnham supported the Chair's proposal, adding that given the level of performance it was essential that all the seats on the services that run are available at all times. With this in mind he proposed that the letter to the Secretary of State should call for the declassification of first-class accommodation until such time as performance levels are restored.
- 7.18 Cllr Gittins seconded the proposal to write to the Secretary of State, along the lines set out by the Chair and Mayor Burnham.

- 7.19 Cllr Hughes asked whether TfN can legally call for the declassification of trains. In response the Head of Legal confirmed that this can be included as part of the Statutory advice given to Government.

Resolved:

1. That Board notes the feedback from the Rail North Committee including the establishment of an Accessibility Task and Finish Group and the discussions with Avanti West Coast.
2. That Board agrees that the Chair/RNC Chair should formally write to the Secretary of State setting out its collective view that the performance of Avanti is unacceptable, that the Department should undertake an urgent review of Avanti's performance and that until such time as performance is restored first-class accommodation should be declassified.
3. That the Board notes with concern that, whilst TfN recognises the benefits of the proposed ECML timetable for December 2024, there are also a number of communities where there are negative impacts on passengers and businesses, particularly in Northumberland and the North East.
4. That following receipt of additional assurances, on infrastructure commitments and future service development, on balance Board confirms its acceptance of the ECML timetable change planned for December 2024.

8. Governance Update

- 8.1 Members received the report from the Head of Legal who then outlined the key parts of the report.

Resolved:

- 1) That Board approves the extension of Kevin Brady's term of office as an Independent Member of Audit and Governance Committee from 31 March 2024 until 30 September 2024.
- 2) That Board approves the extension of Graham Bell's term of office as an Independent Member of Audit and Governance Committee from September 2021 until 30 April 2025.
- 3) That Board approves the appointment of Stuart Green as an Independent Member of Audit and Governance Committee with effect from 1 October 2024.

9. Date and Time of Next Meeting

20 March 2024
11am
Leeds Hilton City

Quarterly Operating Report October – December 2023



1 Chief Executive's Introduction

- 1.1 The primary focus throughout this quarter has been reviewing the comments received through the consultation on the draft Strategic Transport Plan (STP) and preparing a revised final draft of the document for the Board's consideration. It was particularly pleasing to see the level of responses received surpassing the number received with the original Strategic Transport Plan, an outcome that was achieved using a variety of channels to promote the draft STP and encourage engagement.
- 1.2 The work to prepare the final draft of the STP was on track to enable it to be presented to the December TfN Board. However, the Prime Minister's decision to cancel the latter stages of HS2 and the subsequent publication of the Network North policy document meant that there was a need for TfN to reflect on the need for changes to the final draft of the STP. The TfN Board agreed that because of this need for reflection its consideration of the final draft would be put back to 20th March 2024. At the same time the Board considered the implications of the Network North policy announcement at its December meeting.
- 1.3 A consequence of the Network North policy announcement was to highlight the importance of having an investment pipeline. In this context it is worth noting that interest from TfN's partners in accessing support as part of the 'TfN Offer' continues to grow.
- 1.4 The North's rail services continue to be a key area of interest for TfN and its partners. It is welcome to see the annual business planning round for our two main operators including a specific reference as to be more explicit as to how their proposals support the wider levelling up agenda. Unfortunately, the experience of users on Avanti has continued to be a source of major frustration. An initial discussion at Rail North Committee left many Members' concerns unresolved and a further session with Avanti is planned for the Committee's February meeting.
- 1.5 Meanwhile, the proposals from the rail sector to amend the East Coast Main Line timetable in December 2024 served to emphasise the key role that TfN has to play in providing a pan-regional overview. Concerns expressed by TfN's partners in the North East were supported and amplified by TfN as a whole, and ultimately led to additional reassurances and commitments from the Department.
- 1.6 As we approached the end of 2023, the planning for our 5th Annual conference became ever more dominant. After having held conferences in Sheffield, Leeds, and Newcastle, it is great to be looking forward to taking it to Liverpool at the start of February. The conference is TfN's opportunity to showcase our work on behalf of the North and to work with our partners as the 'Voice of the North'.

2 BP1: Consult on revised Strategic Transport Plan - Summer 2023

- 2.1 The 12-week statutory consultation on the Strategic Transport Plan (STP) took place between May and August 2023. An independent Integrated Sustainability Appraisal (ISA) and Habitats Regulation Assessment (HRA) was also prepared and consulted on at the same time.

- 2.2 The draft STP has been updated by the TfN executive, working with its partners, to reflect the consultation feedback.

BP2: Publish Connected Mobility Strategy – Summer 2023

- 2.3 The Connected Mobility Strategy was launched in October 2023, with press events, podcast and insight pieces issued November. Reports and policy positions have been published, including papers on interoperability in contactless payments, information provision for passengers and policy positions on both rail retail reform and rail fares reform in the North.

- 2.4 Implementation of the strategy’s outcomes is underway with a subsidiary ‘Ticketing North’ programme in development for 24/25. This is alongside delivery of a fares modelling work package to support the region’s aims for simpler and fairer pricing.

BP3: Secure Adoption of the Revised Strategic Transport Plan – December 2023

- 2.5 The TfN executive have been working through the comments and feedback received through the consultation process. Having taken an initial steer from the TfN Board in September on how to address the key issues raised, the TfN executive have been working to update the STP document ahead of its formal consideration by the Board.

- 2.6 The intention was to present the final draft of the STP to the TfN Board for adoption in December 2023. However, on 4th October 2023, the Government announced the cancellation of Phases 2a and 2b of High Speed 2 (HS2). The announcement was accompanied by the publication of Network North document by Government.

- 2.7 The TfN Board agreed in December 2023 to defer approval of the final STP until March 2024 which would enable the final document to reflect the changes in Government policy, whilst at the same time ensuring that the need for investment in improved connectivity and capacity between the North and the Midlands is set out in the final version of the STP.

BP4: Rail Reform – Issue Proposition for the North – December 2023

- 2.8 Policy position papers on Rail Reform continue to be developed, and TfN’s Rail Reform proposition was shared with an internal Programme Board in December 2023. The proposition is undergoing further development in light of comments received.

- 2.9 The King’s Speech on 7th November announced that the Government would publish a draft Bill during the Parliamentary session to allow pre-legislative scrutiny by MPs. Indications are that the draft Bill will be published in early 2024: TfN will prepare a submission to the Committee tasked with the scrutiny. This will emphasise the importance of protecting and building upon the current level of rail devolution that exists in the North.

BP5: Provide Annual STP Action Plan – March 2024

- 2.10 Discussions have been held with Executive Board on the proposals for implementation advice that will accompany the final STP. The Action Plan will form part of the annual business planning process, clearly

setting out what TfN will do as an organisation to support delivery of the framework set out in the STP.

- 2.11 The monitoring and evaluation dashboard will articulate how the North is performing against the headline and core metrics and a summary will be included in the TfN Annual Report. Work on developing the first version of the dashboard is on track and will be shared with partners in the New Year. It is planned that initial advice on implementation will be presented to the TfN Board, alongside the final STP, for its consideration at the meeting on 20 March 2024. This will be developed in more detail in the next financial year.

BP6: Update Future Transport Scenarios – March 2024

- 2.12 The project team has completed evidence reviews, TfN programmes lessons learned exercise, and significant engagement with Local Authorities and other stakeholders across infrastructure sectors to shape early considerations. Engagement has also taken place with academics to strengthen and inform the work, this includes Transport Focus, Committee on Climate Change, ITS Leeds, University of Manchester, and the School of International Futures. All of this is helping with the preparations for the first of two planned workshops, scheduled for January.
- 2.13 The update revisits the critical factors which will define the North's transport system such as demand on the networks and how solutions may need to evolve in support, and this will be embedded in TfN's analytical tools and evidence base.
- 2.14 Implementation of the TfN vision-led 'decide and provide' approach to planning will ensure continued accounting of future uncertainty, so that challenges, opportunities, and trade-offs are understood.

BP7: Consult on and then publish final Strategic Rail Report – March 2024

- 2.15 A draft of the Strategic Rail Report was published in May 2023 as part of the supporting documents for the draft STP consultation. Revisions to the document have been made in response to the consultation. The final document will be presented to the TfN Board at the 20 March 2024 meeting as part of the supporting documentation for the STP.

BP8: Ensure a strong case is forwarded for recommended RIS investment in the North – March 2024

- 2.16 TfN submitted statutory advice on the Strategic Road Network (SRN) initial report, and a response to National Highways Route Strategy Reports and Connecting the Country masterplan in summer 2023. TfN is continuing to actively input to National Highways ongoing work on developing the future RIS pipeline.
- 2.17 Publication of draft Road Investment Strategy RIS (by the Department for Transport) is awaited: originally anticipated as likely to be in autumn 2023, this is now expected to be at some point in the first half of 2024. TfN will respond to the Government's draft RIS report when published.

- 2.18 In the meantime, the Network North policy document published by the Prime Minister committed additional funding to support the delivery of schemes already identified for delivery as part of the Major Road Network (MRN) programme. It also announced that there will be a MRN2: the timing of which has yet to be confirmed, with guidance expected to be published in early 2024.

BP9: Publish Transport for the North’s Bus Policy Position – March 2024

- 2.19 TfN has consulted partners and key stakeholders on ambitions for improving bus services and patronage. The inaugural meeting of the Better Buses for the North forum was held in the autumn, with good attendance and engagement. As an initial discussion, the Forum has laid the foundations on which to build a more focused discussion at the pan-regional level, one that can support activities being taken forward at the city-region/local level. At the same time the TAME team continues to incorporate local bus information into the evidence base held by TfN (and which is accessible by all partners).
- 2.20 Following initial discussions at the December TfN Board, a substantive discussion on buses will be held at the March Board. The TfN executive is continuing to work with partners across the North to prepare statutory advice for consideration by the Board (likely to be June 2024).

BP10: Implement an online local public transport data toolkit – March 2024

- 2.21 Launched in September 2023, the TfN Offer sets out the tools, data, and information available to local authorities. The offer includes details of the “Off the Shelf Menu” which provides an in-depth overview of the various evidence, tools, and policies. This includes TfN’s Transport Related Social Exclusion (TRSE), Carbon Baseline and Electric Vehicle Charging Infrastructure (EVCI) tools.

BP11: Develop a submission to Government that identifies opportunities to build on Transport for the North’s technical capabilities – March 2024

- 2.22 Analytical tools have been developed and made available to partners that support them in their work, including TfN’s Clean Mobility, Electric Vehicle Charging Infrastructure and Bus Service Improvement Plan (BSIP) tools, whilst TfN’s Hydrogen Mobility Visualiser and the joint STB Carbon Assessment Framework are nearing completion
- 2.23 The TAME team continue to work with partners (both nationally and across the North) to identify further opportunities to develop TfN’s ‘offer’ in support of their work.
- 2.24 TfN’s work on EVCI has influenced thinking in the economic regulator (Office of Gas and Electricity Markets - OfGEM) about how they are organised to engage its stakeholders in its work.

3 Functional Reports
Strategy and Research
Progress in this Quarter

- 3.1 There has been a continued focus on finalising the revised STP and developing the initial implementation advice.
- 3.2 Implementation of the Freight and Logistics Strategy continues with a focus on stakeholder engagement and developing the evidence base. Responses were submitted on the Calls for Evidence on the Infrastructure for Zero Emission Heavy Goods Vehicles and Coaches Call in December 2023.
- 3.3 Development work continues on the Hydrogen for Mobility Visualiser tool and inputs into the Subnational Transport Body (STB) Carbon Assessment Framework. The latter will allow partners to test Local Transport Plan (LTP) policies and interventions against their bespoke carbon baseline and both tools are intended for release prior to March 2024. Progress is being made on an evidence review and modelling exercise to strengthen the evidence base around the wider costs and benefits of travelling by different modes, which will provide context for the TfN Decarbonisation Strategy update in the new financial year.
- 3.4 The summary document for the Northern Powerhouse Independent Economic Review (NPIER) was published in November 2023 and TfN has led on the development of the transport related policy positions for the Convention of the North (to be held at the beginning of March 2024).
- 3.5 The Transport-Related Social Exclusion (TRSE) survey, which examined transport behaviours and perceptions, and the impacts that poor quality transport has on everyday life, has been completed. It engaged with over 1,400 respondents and the findings will be published in February 2024. Engagement with local and regional partners to integrate TRSE data and evidence into LTPs, investments, and strategies continue.
- 3.6 The TfN Northern Transport Voices (NTV) panel has supported work on rural mobility hubs, rail station ticket office closure proposals and plans to launch a survey on rail station accessibility. The panel will also be involved in focus groups to support TRSE research.
- 3.7 TfN has developed the rural mobility evidence base to support partners in developing business cases for rural areas. A final report will be used to inform the review of DfT's policy paper for innovation in rural transport.

Priorities for next Quarter

- 3.8
 - The STP will be presented for approval to the TfN Board (20 March 2024). This will be accompanied by an Integrated Sustainability Appraisal and Monitoring and Evaluation dashboard,
 - Develop the initial implementation advice, which will consider the development of a Northern Appraisal Framework and an Investment Pipeline,
 - Develop and begin implementing the programme for the decarbonisation strategy update, as well as plans for engagement and consultation,
 - Conclude the research workstream around the proportionate costs of travel,

- Finalise the research strategy, establishing the programme of activity for economic, social, and environmental research for next 12 months,
- Conclude research on the impacts of the Covid-19 pandemic on Transport Related Social Exclusion.

Strategic Rail

Progress in this Quarter

- 3.9 The cancellation of the latter phases of HS2 (and the related Network North policy announcement) affects many of the programmes across the North and this has led to increased engagement with Network Rail, Department for Transport (DfT) and other partners, as the TfN executive looks to build an understanding of the impact and likely interventions. This work underpinned the report to the TfN Board in December that sought to place both announcements into the context provided by TfN's work on the STP.
- 3.10 The TfN Board in considering that report was clear as to their expectation the working arrangements associated with TfN's Northern Powerhouse Rail (NPR) co-sponsorship role will be strengthened. In particular, the Board was clear as to the importance of TfN's views being actively sought in relation to any revised and/or new remits of work commissioned as a consequence of Network North.
- 3.11 Development of TfN's Rail Investment Pipeline and Blueprint for the North has continued, with a baseline high level Blueprint produced identifying key programme integration issues which will inform industry engagement in early 2024.
- 3.12 TfN has continued to provide the leadership of the TransPennine Route Upgrade (TRU) Stakeholder Forum in support of the overall TRU programme. Work supported has included the development of a draft station design guide and toolkit for stations on the route and to champion greater customer awareness of disruption. The next of the regular briefing updates for the TfN Board by the TRU programme is scheduled for spring 2024, just over a year out from the start of major blockades as construction work ramps up.
- 3.13 The work of the Rail North Committee in November highlighted a number of serious concerns relating to the proposed December 2024 East Coast Main Line (ECML). These concerns were escalated to DfT and resulted in a meeting between the Chair and the Rail Minister. TfN obtained subsequently assurances from Huw Merriman, the Rail Minister, on future infrastructure commitments and service development ahead of the TfN Board in December. After an extensive debate, in which a number of negative impacts were flagged by representatives from the North-East, the Board agreed to the proposed timetable change.
- 3.14 Following the RNC establish an Accessibility Task and Finish Working Group, TfN has begun to co-ordinate dialogue across the industry and is developing a set of actions for the Committee to consider on the future.
- 3.15 TfN has worked to embed Connected Mobility within ongoing national programmes, on Pay as You Go including the national Fares, Ticketing and Retail Programme on Rail and as a conduit for ongoing work on the

bus broker programme. Initial work on developing a 'Ticketing North' proposition has begun, with a focus on infilling capability and capacity challenges.

Priorities for next Quarter

- 3.16
- Work with partners on developing a 'Ticketing North' Partnership,
 - Finalise the Strategic Rail Report (as informed by stakeholder and partner feedback) and submit as part of the STP supporting documentation report to TfN Board at the meeting on 20 March 2024,
 - Develop the proposals for accelerating delivery of accessibility improvements at stations through the Rail North Committee Accessibility Task and Finish Group,
 - Further development of the Rail Reform Proposition in anticipation of the need to feed into pre-legislative scrutiny of draft Bill.

Major Roads

Progress in this Quarter

- 3.17 Work is nearing completion on developing the functionality of the public transport modelling tool, which covers bus and light rail. TfN has engaged with partners and DfT on the development of the modelling tool and aim for it to be available to partners via an online visualisation early in the next financial year.
- 3.18 TfN continue to facilitate collaboration and the sharing of best practise between its partners and subject matter experts via the Better Buses for the North forum. The group will provide input and feedback on the development of TfN's advice to government on delivery of ambitions for improving bus services. And provides a mechanism for supporting local authorities with the delivery of Bus Service Improvement Plans.
- 3.19 TfN has continued to further develop the Electric Vehicle Charging Infrastructure (EVCI) toolkit and will launch updates in February 2024. These include the capacity to monitor charge point delivery against forecasted need, mapping of rapid charger demand on the road network, and the impacts of Ultra Low Emission Vehicle (ULEV) price accessibility on charging demand.
- 3.20 A further phase of EVCI development focussing on enhancing the systems approach is underway. This includes continuing to work with the energy sector to integrate electricity grid capacity and capability with the TfN understanding of regional charging requirements, highlighting areas which may need support to reach a whole network solution across the region and working with spatial partners such as Ordnance Survey to extend spatial and land-use evidence and considerations.
- 3.21 Informed by the ECVI work, TfN has submitted a comprehensive response to national government consultation on the rapid charge fund, highlighting the role that the evidence held and made available by TfN can play, along with the benefits of and potential for, more collaborative working with TfN, our partners and the energy sector.
- 3.22 TfN continues to support Local Authorities when applying this toolkit to their own activities. Work also continues with other Subnational

Transport Bodies on the rollout of the EVCI tool to cover England (outside of London).

- 3.23 Work has commenced on updating the TfN Future Travel Scenarios, including a series of workshops with industry, academic, and with local authority partners. (See BP6 above).
- 3.24 A round of engagement with partners discussing challenges with delivery of the current Major Road Network and Large Local Major Programme has been completed and work on development of a future programme of MRN investment has been initiated. Feedback from partners has informed TfN's ongoing advocacy on the need for additional DfT funds for the current programme of schemes to be delivered (announced in Network North) and the development of a framework for assessing proposed schemes for the new MRN programme (£1Bn announced for the North).
- 3.25 Work has started on a 'level of service; analysis of the Major Road Network' (MRN), which will provide evidence to inform MRN investment choices.
- 3.26 Regular engagement with National Highways continues, contributing to development of RIS pipeline studies and business cases, and supporting partners in sharing of information on RIS studies.

Priorities for next Quarter

- 3.27
- Respond to the draft RIS once published (expected in March 2024),
 - Work on prioritisation of TfN's Investment programme,
 - Input to development of the DfT MRN2 funding guidance,
 - Shaped by the STP ambitions and objectives and develop and agree with partners the framework for assessing proposed MRN schemes,
 - Complete the 'level of service' analysis of the MRN,
 - Work with partners on developing a pipeline of MRN schemes,
 - Launch the updated EVCI tool and progress work on the development of evidence on the energy requirements to support EVCI,
 - Continue to work with partners in developing draft statutory advice on buses and launch the public transport model.

TAME (NPR and Core)

Progress in this Quarter

- 3.28 Three key contracts have been awarded to suppliers:
- Visualisation Framework - This will build the foundations for consistent approaches developing dashboards and visual outputs for a wide range of TfN and DfT projects,
 - Northern Rail Modelling System (NoRMS) Behaviour Survey Scoping – Preparation work for a major data collection exercise to overhaul the NoRMS variable demand model and improve the quality of evidence for rail business cases,

- Northern Model Integration Tools (NorMITs) Demand contract – Improving quality and spatial granularity of data feeding into strategic transport models.
- 3.29 The TAME team has continued to provide support on the roll-out of the Electric Vehicle Charging Infrastructure (EVCI) programme, both within the North and across Subnational Transport Body geographies.
- 3.30 A high-level refresh of the Strategic Outline Business Case (SOBC) for Northern Powerhouse Rail (NPR) has been completed and preparations for a detailed SOBC for NPR in Bradford throughout 2024.
- 3.31 Work has commenced on several short-term projects with current suppliers including the rail Network Builder and localising the Northern Highway Assignment model to increase potential use by Local Transport Authority (LTA) Partners.

Priorities for next Quarter

- 3.32
- Recruitment of five new roles in response to increasing levels of service across all programmes,
 - Continuing with the roll-out of analytical products to Subnational Transport Bodies, including the Common Analytical Framework,
 - Providing support to LTAs with decarbonisation analysis and evidence for Local Transport Plans,
 - Continuing with a detailed NPR SOBC refresh post cancellation of HS2 Phase 2a/2b,
 - Undertake initial modelling sensitivities to feed into optimisation of the network following the Network North policy announcement,
 - Further early work on NPR in Bradford to prepare for more intensive work from Q1 2024/25.

Rail North Partnership

Progress in this Quarter

- 3.33 The RNP team has worked with the TransPennine Trains (TPT) team on the launch of the company's new Prospectus for Transformation – supporting early initiatives for stabilisation, including the stepped-down December 2023 timetable, which is intended to allow the operator to catch-up on the backlog of driver training, occasioned in the first instance by the loss of Rest Day Working (RDW) upon which the operation was reliant.
- 3.34 There has been a focus on performance and recovery with Northern Trains Limited (Northern) which has also secured the return of RDW, which has allowed the significant reduction on-the-day cancellations rates and will also allow a focus on driver training, including in support of the TransPennine Route Upgrade (TRU).
- 3.35 There has been engagement with partners in supporting consideration of the proposed East Coast Mainline Timetable change for December 2024, and developing timetables for Manchester, through the work of the Manchester Task Force.

- 3.36 Work has progressed with the operators on the Annual Business Planning process and testing the operators on the efficiency initiatives to ensure that sufficient money and resources are secured to protect services and continue post-Covid growth back (in the form of Levelling Up plans unique to the North's two co-managed operators).
- 3.37 The TPT and Northern plans for rolling stock procurement (large scale replacement of aging Northern fleets and new trains for both operators to run services on the upgraded TRU route) continued to be move through Department for Transport governance.
- 3.38 The increased workload across annual and future planning has seen a review of the team structures and make representation to the Department for Transport for some marginal additional resource.

Priorities for next Quarter

- 3.39
- Completion of the Annual Business Planning Processes for 24/25 in time for the commencement of the new financial year both for the baseline of operator services and for TRU,
 - Begin discussion with the Rail North Partnership Board on options for a new Baseline Service Specification for Northern and TPT looking to move from the restrictions of the Annual Business Planning process and onward to a more strategic means of securing Levelling Up for services in the North,
 - Continued focus on workforce and service reform issues and the wider industrial relations landscape,
 - Preparation for a considerable uplift in activity in the TransPennine Route Upgrade programme and increased operator involvement in supporting the programme,
 - Continued involvement in rolling stock procurement as the operators pass important governance hurdles,
 - Continuation of the RNP Management Team review to reflect the growing size and responsibilities.

Communications and Engagement

Progress in this Quarter

- 3.40 Work to develop and plan for the TfN Conference in Liverpool on 5 February 2024 has been a key focus. With over 350 delegates, the Secretary of State for Transport, elected Mayors, Council leaders, industry chiefs and a wide variety of stakeholders and media, the event is anticipated to be a sell-out.
- 3.41 Assets for the conference were produced to promote TfN and its key message: Transform the North.
- 3.42 Engagement with colleagues at Department for Transport (DfT), National Highways, Network Rail, HS2, Great British Railways Transition Team (GBRTT) and Train Operators.
- 3.43 The team has also engaged with, and supported the establishment of an Accessibility Task and Finish Group

Priorities for next Quarter

- 3.44
- Coordination with Subnational Transport Body communication group colleagues over the STB conference in Manchester on 28 February 2024 and attendance,
 - Stakeholder engagement that arises from the first meeting of the Accessibility Task and Finish Group,
 - Submission of Chartered Institute of Highways and Transportation (CIHT) 'Team of the Year' Award entry,
 - Continuing engagement with the communication teams for the TransPennine Route Upgrade and any external engagement that arises.

People and Finance

HR Metrics – 2023/24 Year-to-Date (As at 2 January 2024):

3.45 **Establishment - Permanent/Fixed-term Posts**

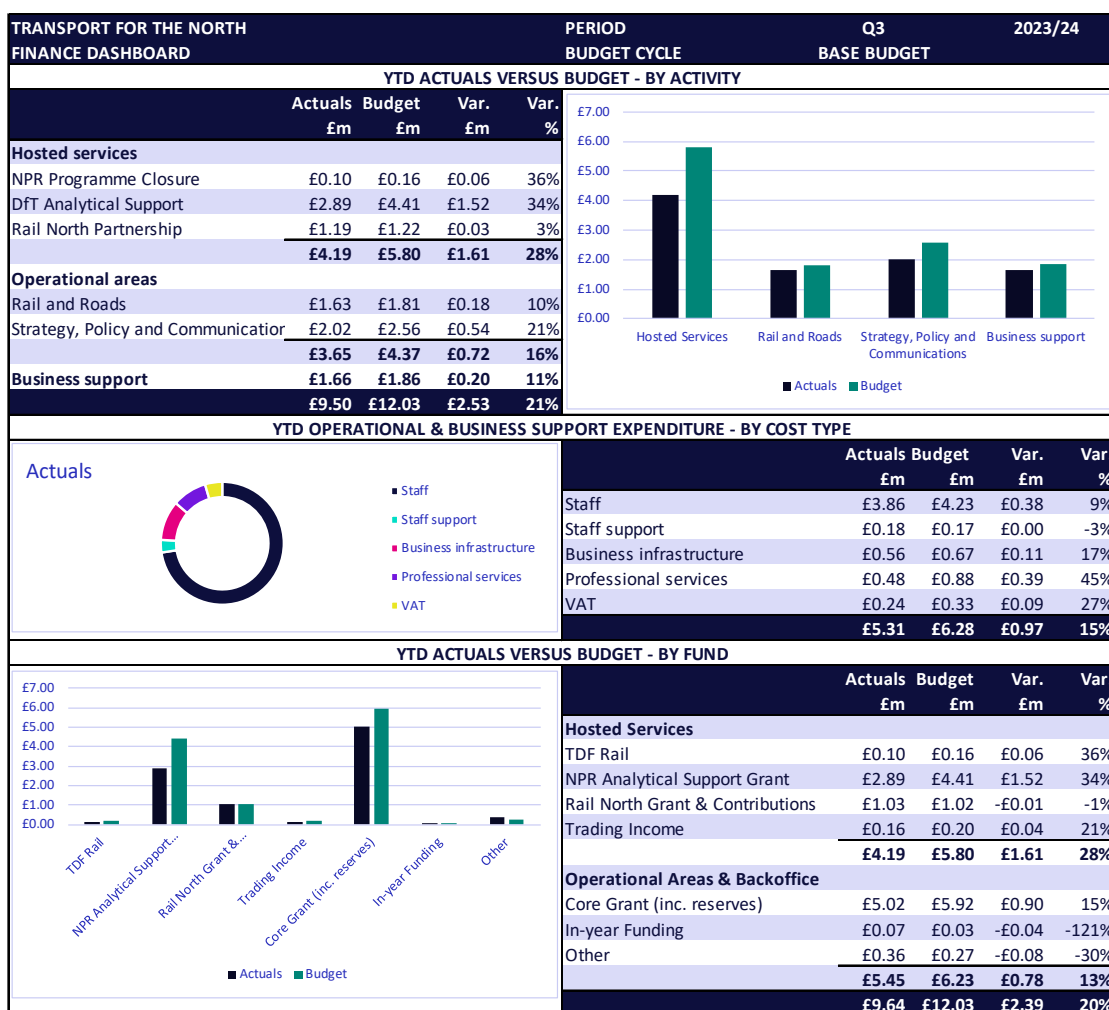
Area	Permanent (< 2 Years)	Fixed-Term (< 2 Years)	Total Posts
CEO Office	2	-	2
Support Services	19	-	19
Operational and Delivery	49	-	49
DfT Data Services (Hosted)	24	-	24
Rail North (Hosted)	14	3	17
Total Establishment	108	3	111
Strength (In Post)	101	3	104
Appointed (Start Date Pending)	-	-	-
Pending/Active Recruitment	1	-	1
Vacant – On-hold	6	-	6

HR KPI's – 2023/24 Year-to-Date:

Corporate Sickness Level:	2.4%
Employee Turnover (Voluntary Leavers):	9.1%
% of Employees from an Ethnic Minority Background:	18%
% of Employees declaring a Disability:	19%
Gender Mix - % of Female Employees:	38%
% of Male Employees:	62%

Finance

3.46



Progress in this Quarter

- 3.47 Total expenditure Year to Date (YTD) is £9.5m, £2.4m (20%) below base budget.
- 3.48 The underspend is mainly due to work associated with DfT Analytical Support, partly due to vacancies in the team but primarily because of the delay in agreeing the workplan for the year (it was agreed in Q2 2020/24).
- 3.49 From an operational and business support perspective, staff underspends are the key driver resulting from delays in recruitment. Any savings to date are being monitored and where possible, mitigated through reallocating to new opportunities/new priorities as they arise.

Priorities for next Quarter

- 3.50
- Produce Business Planning document for Scrutiny and Board,
 - Forecast the 23/24 Outturn position,
 - Year-end close.

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1. Chief Executives Update

- 1.1. To provide the opportunity for the Chief Executive to update the Board on matters arising from the previous meeting, as well as any other significant issues not covered elsewhere on the agenda.

2. Quarterly Operating Report

- 2.1. The Executive produce a Quarterly Operating Report the purpose of which is to provide an update on progress against the milestones set out in the Business Plan. The QOR is presented to and discussed at the Audit and Governance Committee as part of their regular cycle of meetings. It is also provided to this meeting for information.

3. TfN Conference

- 3.1. The 5th TfN Conference was held in Liverpool on 5th February. The conference, which was sold out, saw TfN Members, partners, and stakeholders come together in a shared agenda: the importance of the North's transport system as an enabler of sustainable growth.
- 3.2. Drawing on the technical work that underpins the revised Strategic Transport Plan, the conference explored the need for change in the way we plan, develop, and implement solutions that meet the needs of the North's residents and businesses. The importance of having clarity on funding, together with an approach to appraisal that better reflects the needs of the North were key messages throughout the day.
- 3.3. Workshop sessions enabled attendees to explore a range of topics in more detail, with the workshop on buses particularly popular. Other workshops covered the transformation of the North's rail system, the role of the North's global gateways, the importance of transforming the North's inclusivity, measures needed to help transform the North's economy, and the need to decarbonise the North's transport system.
- 3.4. A lunchtime session focused on how to transform the diversity in transport was popular and was recorded as a podcast that is now available.
- 3.5. The conference closed with Rail Minister Huw Merriman MP (who is also the lead for devolution within the DfT) addressing the gathering. Responding to questions from the audience the Minister expressed his support for getting the electrification of the Midland Main Line through all the way through to Sheffield: TfN continues to

work with colleagues in the East Midlands and Midlands Connect to support the case for this investment, including letters of support where appropriate.

- 3.6. Feedback on the 2024 conference has been very positive, and planning for 2025 has already begun. After visiting Sheffield, Manchester, Leeds, Newcastle in the past, the intention is that next year's conference will be held in York.

4. Other Conferences

- 4.1. Early spring has been a popular time for conferences more generally. The end of February saw the 3rd Sub-national Transport Bodies Conference being held as part of the wider Interchange Event at Manchester Central, with TfN's work on EV Charging Infrastructure and Transport Related Social Exclusion amongst the featured work, together with the work of TAME.
- 4.2. The same week also saw the Convention of the North held in Leeds, with over 800 Political and Business leaders coming together to support a manifesto for the North. The TfN executive worked closely in support of the Convention's transport theme. This ensured that the Convention could draw on the evidence assembled in support of the STP, including the recently updated Northern Powerhouse Independent Economic Review (completed in partnership with the NP11).
- 4.3. The Convention organisers worked in partnership with Citizen's UK to enable 60 young people from across the North to be involved in the discussions and workshops. Their involvement brought energy and a fresh perspective and added greatly to the debates.

5. Diversity

- 5.1. TfN Board members have highlighted the importance of having diversity of thinking, not just at the heart of its meeting but as a core part of the way TfN goes about its work.
- 5.2. The TfN executive discussed this issue further with the Chair and Vice-Chairs in early January. Whilst they recognised the work that already takes place to encourage diversity of thought, they identified several opportunities for doing more in this respect, including:
- Expanding our Citizens Panel (Northern Voices) – established in 2023 with 600 residents whose membership reflects the diversity and geography of the North, our 24/25 Business Plan makes

provision to expand this to 2000 members, thereby enabling us to explore in more depth the views of specific groups

- Actively seek to invite representative groups/bodies to be involved in TfN meetings so that they can be part of policy debates, such as the accessibility workstream
- Establish a stakeholder forum – through which TfN can actively engage with organisations, national and local charities, as well as other bodies that speak for groups in society, and in that way ensure TfN’s work and its advice to Government is informed by their perspective
- Specifically invite representatives to either share feedback directly with the Board and/or attend Board to offer views and perspectives on key issues
- Invite infrastructure owners and service providers to TfN meetings to hear first-hand feedback on the user experience and to explain what they are doing to address issues raised

To support these, strengthened governance arrangements are being put in place to ensure that Equality Impact Assessments are an integral part of work prepared for the Board.

In addition, the TfN executive, led by the Chief Executive, remains committed to ensure that as an employer our HR process encourages the recruitment and retention of a diverse workforce. Feedback collected through the recent staff engagement survey suggests that this is bearing fruit, but it remains a focus for the leadership team.

6. Road Investment – A66

- 6.1. The proposal to dual the A66 has been a long-standing priority for TfN. A nationally significant investment in the North’s road system, the improvement will improve east-west connectivity, specifically improving connections between Cumbria, Durham, North Yorkshire and the Tees Valley.
- 6.2. TfN supported the Development Consent Order submitted by National Highways and set out the strategic importance of the scheme to the ensuing Inquiry.
- 6.3. The Secretary of State confirmed the Order for the scheme on 7th March. This decision is to be strongly welcomed, signalling as it does the Government’s commitment to deliver the improvement.

TfN will continue to work with National Highways as it now takes the scheme forward.

7. Local Transport Funds

- 7.1. The Government's Network North policy document set out its intention to provide longer-term funding clarity for those areas not already covered by devolution deals. Late February saw the Government set out in more detail its proposals for Local Transport Funds.
- 7.2. The move towards longer-term funding clarity is something that TfN has been arguing for and so the funding is to be welcomed. However, as the interest in the 'TfN Offer' shows there remains a serious shortfall in terms of skills and capacity within the sector to develop and bring forward specific proposals. The 24/25 Business Plan for TfN continues to prioritise supporting its partners, however this is itself limited at present by the funding available: the issue of skills and capacity is likely to be an area of interest as we begin to look to develop proposals for a future spending review.

8. Spending Review

- 8.1. TfN's funding settlement for 24/25 coincides with the end of the current public sector spending settlement, meaning that a spending review can be expected in the near future. The timing of such a review, and the basis on which it is conducted have yet to be determined. However, it is important that TfN begins developing its proposal and to that end the TfN executive will work with TfN Board members (and their officers) to develop a proposition for consideration at a future meeting.

March 2024

Meeting:	Transport for the North Board
Subject:	Transforming the North: Strategic Transport Plan Approval and Adoption
Author:	Danielle Bassan, Principal Policy and Strategy Officer
Sponsor:	Katie Day, Director of Strategy, Analysis and Communication
Meeting Date:	Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 For the Transport for the North Board to note the work that has been undertaken to amend the Strategic Transport Plan (STP) post consultation and following the announcement of Network North, and to approve and adopt the STP as statutory advice to the Secretary of State for Transport.

2. Recommendations:

- 2.1 It is recommended that the Transport for the North Board:
- a) Notes and supports the work that has been undertaken to amend the STP post consultation and following the announcement of Network North.
 - b) Notes and supports the evidence base and documents to be published alongside the final STP, including the updated Integrated Sustainability Appraisal (ISA).
 - c) Approves and adopts the final STP as statutory advice to the Secretary of State for Transport.
 - d) Notes the proposed approach to monitoring and evaluation for the STP and provides any feedback/observations on the planned approach.

3. Main Issues:

- 3.1 TfN has a statutory duty to produce a transport strategy, on behalf of the North of England. Its purpose is to set out, based on robust evidence, the strategic ambitions for transport, specifically pan-regional infrastructure priorities and issues that are common to partners and where there is efficiency in tackling them regionally.
- 3.2 The STP is intended to set out the long-term ambition for the North's transport system. It is a strategy to guide policy making, national and local planning, and investment advice. A more detailed investment pipeline for strategic (pan-regional) schemes and interventions is being developed separately, with partners, as part of the implementation advice on the STP which will follow later this year. We expect to provide an update to the Transport for the North Board in June 2024.
- 3.3 We had intended to bring the STP to the Board for adoption in December 2023. However, the Board agreed to defer consideration to March 2024 so that the STP could have due regard to the Government's decision to cancel HS2 to Manchester, and the publication of Network North.
- 3.4 The STP vision, strategic ambitions and outcomes remain unchanged as a result of these policy decisions. Based on the position agreed with the Board in December 2023, references to HS2 in the STP have been updated to reflect that – based on our evidence - both Northern Powerhouse Rail and the capacity and connectivity that would have been provided by HS2 are still required in full.

3.5 As we have been finalising the STP with local partners, we have identified a further addition we judge necessary to make, given Network North/HS2 policy announcements, and that is in relation to plans for Manchester Piccadilly station. The Board's discussions on the "Transforming the North" paper in December 2023 noted that proposals for the station needed to be reviewed in light of HS2 infrastructure cancellation, given the station's key role in Northern Powerhouse Rail. We have therefore updated the STP to reference this review, and specifically the consideration now needed for alternative options, including an underground station.

3.6 In addition, following steers from TfN Board in September and December 2023 and feedback from the public consultation, officers have:

- **Strengthened the vision** by including specific references to affordability and the need to support mode shift
- **Amended the headline metrics** so that 'right share' metrics are represented as 51% sustainable vs 49% private car mode (rather than breaking 51% down into sub-modes); our ambition is for the mode share of rail freight by 2050 to be tripled to 25.5% as tonne km, rather than doubled as per the draft STP; and the Vision Zero road safety date was accelerated from 2050 to 2040
- **Better articulated that the environmental benefits we seek are beyond decarbonisation**, including more emphasis on biodiversity net gain, air quality and the enhancements to the built and natural environment
- **Provided further evidence to strengthen the case for freight**, embedding throughout the plan more of our existing evidence, including reference to the opportunities that inland waterways present and our aspirations for strategic rail freight interchanges
- **Reviewed our narrative on international connectivity**, to ensure we are presenting a fair and balanced view (in line with our agreed policy position) in light of feedback from both environmental stakeholders and airports that is conflicting in nature
- **Added new text** on the affordability of transport for the user, light rail / mass transit and connected mobility.

3.7 The final version of the STP is contained in Appendix 1.

4. Supporting Evidence Base and Integrated Sustainability Appraisal

4.1 The draft STP was accompanied by an independent Integrated Sustainability Appraisal (ISA) and Habitats Regulations Assessments (HRA), which have been key requirements in formulating the transport strategy. The ISA and HRA made some recommendations to strengthen the STP including biodiversity net gain, more prudent use of natural resources and protection for the historic environment. These recommendations have been incorporated into the final version of the STP.

4.2 The ISA and HRA have subsequently been updated to reflect the revisions made to the STP post consultation, as set out at paragraph 3.6. This has also included a significant review of the Non-Technical Summary Report to make it more understandable, which reflects comments from the consultation.

4.3 Reassessment of the STP's strategic ambitions found that they continue to provide a strong basis to help ensure the sustainability performance of the plan; whilst changes to policy wording within the STP in most cases improved their performance when assessed against the ISA objectives.

4.4 Overall, the ISA/HRA found no significant adverse effects were likely as a result of the STP, and that the Plan would have a strong, positive influence on the North's transport network across environmental, social, economic and health indicators, providing a firm basis for future transport planning for the North.

- 4.5 The updated Non-Technical Summary document is set out in Appendix 2 and full copies of the main reports, including the ISA and HRA appendices, as well as the ISA Post Adoption Statement, will be published on the TfN website, alongside the final STP.
- 4.6 The final STP will also be accompanied by the full evidence base which includes, the monitoring and evaluation strategy, vision and objectives annex and the people and place framework. These have all been updated to reflect comments received as part of the STP consultation, as reported previously to the Board.

5. Communications and Engagement Approach

- 5.1 Following the consultation, we have conducted meetings with officers in partner organisations to provide feedback on how their consultation responses were taken into account as we finalised the STP.
- 5.2 A 'You Said, We Did' report will also be published alongside the final STP to set out how we have responded to the key themes raised through the public consultation. A copy of this is attached as Appendix 3.
- 5.3 Following approval and adoption by the Board, we will submit the STP to the Secretary of State for Transport as statutory advice to frame future policy and investment decisions.
- 5.4 We intended to publish the STP as soon as practicable after the TfN Board meeting, and ideally on 25 March 2024, on the TfN website. The intention is to issue a short press release, and notify key stakeholders, such as Northern MPs and relevant government ministers. We will undertake further activity following local elections in May 2024.

6. Monitoring and Evaluation

- 6.1 As part of the evidence base for the STP, we will publish our Monitoring and Evaluation Strategy in March 2024. The draft strategy was published during the consultation on the STP and has been subject to some minor adjustments, in line with the consultation feedback.
- 6.2 The strategy consists of a series of headline, core, and supplementary metrics developed in collaboration with partners that can be used to monitor progress against the STP. The headline metrics underpin the STP vision and its three strategic ambitions (economic growth, decarbonisation and reducing transport related social exclusion (TRSE)).
- 6.3 Core and supplementary metrics provide additional intelligence on progress and challenges across the North's transport network. When taken in totality, we will have a picture of progress against the STP – illustrating where more/different action may be needed year on year – and this can be used to inform TfN's advice to government and national delivery bodies, as well as support local transport planning.
- 6.4 Reporting on these metrics will be undertaken on an annual basis. This will include a summary of data linked to the headline objectives, and a breakdown of which core metrics are moving in a positive or negative direction compared to the base year. We will include a summary of performance against the headline and core metrics in our annual report.
- 6.5 There are already structures in place, via the TfN business plan and annual report, that enable us to report and set priorities for our work. We therefore judge that the purpose of an "annual action plan" for the STP (as originally envisaged) can be effectively met via these existing publications with some adjustments/augmentation.

- 6.6 The metrics will be published online in an STP performance dashboard, which will be publicly available on the TfN website. It will show the current baseline position (as per the metrics in the STP) and the most current available data to support the metrics at the end of February 2024. The annual review of the key metrics will be used to identify where further action/policies may be necessary to support our STP delivery. These outcomes will inform TfN's annual business plan.
- 6.7 The dashboard will be available to TfN partners to support their own local planning, and opportunities are being explored to enhance the dashboard, including with more locally available data. A demonstration of the dashboard has been provided to a number of TfN Officer groups and it is our intention to share it with TfN Board members at a separate meeting.

7. Corporate Considerations

Financial Implications

- 7.1 The financial implications related to STP publication were included in the 2023/24 budget.

Resource Implications

- 7.2 The necessary resources to publish the revised STP were identified and agreed as part of TfN's Budget & Business Planning Process for FY 2023/24.

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) ("the Act") in preparation of the STP will be kept under review to ensure the STP is legally sound and complies with the legal requirements. The Act (section 102I(8)(c)) requires an STB to have regard to "any current national policy relating to transport that has been published by or on behalf of His Majesty's Government". By undertaking the assessment of the new Network North policy via the draft STP, TfN is complying with its legal obligations to take in to account current national policy within the STP.

Risk Management and Key Issues

- 7.4 TfN's Corporate Risk Register includes a risk associated with the approval and adoption of the revised STP. Subject to approval and adoption by the Board in March 2024, the risk will be mitigated and retired. The intention is to develop a new risk on the corporate register to accompany the implementation of the STP as part of the business planning process for 2024/25.

Environmental Implications

- 7.5 An ISA and HRA have been independently prepared to accompany the STP, as reported above.
- 7.6 The ISA documents how and where consultation comments on the ISA and HRA have been addressed and includes updated assessments where policies within the STP have been updated in response to the consultation. The Non-Technical summary of the revised ISA2 report, has been provided as an appendix to this paper. The full ISA and HRA will be published online alongside the STP and can be provided to Committee members on request.

Equality and Diversity

- 7.7 To accompany the draft STP, an Equality Impact Assessment was undertaken as part of the wider ISA. The equality implications have been addressed in the final STP, where possible.
- 7.8 The assessment found no significant adverse effects were likely as a result of the STP.

7.9 The preparation of the Equality Impact Assessment has assisted TfN to fulfil its obligations under the Equalities Act 2010. TfN has gathered information to assess the impact of the STP with consideration to the needs of beneficiaries. This is in order to ensure that an accessible and inclusive solution is delivered.

Consultations

7.10 The revised STP has undertaken a full statutory 12-week consultation period.

7.11 TfN has followed the relevant statutory procedural requirements, well established legal requirements and government guidance in relation to the consultation process on the draft STP. TfN has subsequently reviewed all consultation responses received and have updated the STP accordingly.

7.12 As detailed above, feedback has been provided to Local Transport Authority partners on how their feedback has been considered in the final STP and we will publish a 'You Said, We Did' summary alongside the final STP.

7.13 Scrutiny Committee endorsed the submission of the STP to the Board for approval and adoption, without amendment, on 27 February 2024.

8. Background Papers

8.1 TfN Strategic Transport Plan Consultation Outcomes, September 2023 Board paper.

Strategic Transport Plan Update, December 2023 Board paper.

Transforming the North, December 2023 Board paper.

9. Appendices

9.1 Appendix 1 - Final STP

Appendix 2 - ISA Non-Technical summary

Appendix 3 – "You Said, We Did"

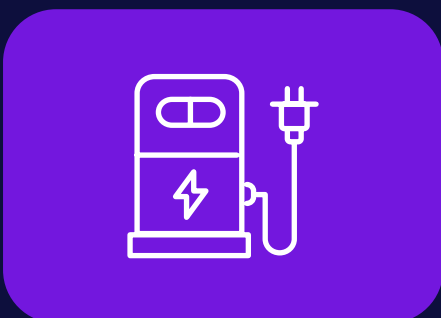
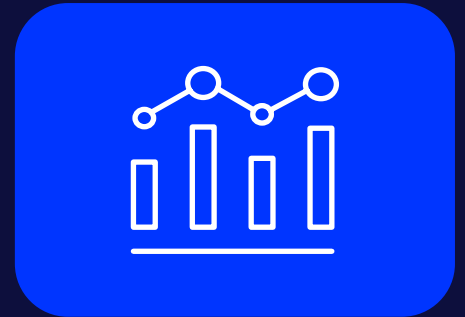
Glossary of terms, abbreviations and acronyms used (if applicable)

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) STP	Strategic Transport Plan
b) HS2	High Speed 2
c) ISA	Integrated Sustainability Appraisal
d) HRA	Habitats Regulation Assessment
e) TRSE	Transport Related Social Exclusion

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Transforming the North



Accessibility

If you would like this document in a more accessible format, please email info@transportforthenorth.com

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1.

Executive Summary

TfN's role and purpose of this Plan

An effective, efficient transport system is a fundamental part of everyday life. It connects people and places to services and opportunities including jobs, health, education and leisure. It connects businesses and allows the efficient movement of goods and services.

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As **Transport for the North (TfN)**, we speak with one voice on behalf of the North of England for transport. We are a statutory body made up of elected and business leaders from across the whole of the North. We collectively represent the region's 16 million citizens and 1.1 million businesses.

Our role is to advise government on the strategic ambitions and priorities for the North's transport system, informed by our local knowledge, expertise and evidence and with a particular focus on connecting places across, into and out of the North. This, our second **Strategic Transport Plan (Plan)**, is a strategy for our region and provides the framework against which we will (separately) provide advice - with our partners - on how it is implemented and the required interventions. The Plan sets the vision, objectives and the North's long term strategic transport priorities to 2050, setting the direction for our work with government, local transport bodies and delivery bodies.

To reflect the North's diverse people, places and the scale of the transport challenges we face, we have developed this Plan with five key principles in mind:

- This Plan is a **user-centric, outcome-focused, place-based** strategy that is underpinned by **robust evidence**.
- This will be enabled by a **systems approach** which recognises the need to integrate transport solutions with energy, spatial planning and digital connectivity.

Our vision

By 2050 the North of England will have become a thriving, socially inclusive region. Our communities, businesses and places will all benefit from sustainable economic growth, improved health and wellbeing and access to opportunities for all. This will be achieved through a transformed, near zero-emission, integrated, safe, affordable and sustainable transport system, which will enhance connectivity, support mode shift and resilience and improve journey times for all users.

Our vision is supported by three clear strategic ambitions the North wants to achieve:

- 1 Transforming economic performance
- 2 Rapid decarbonisation of our transport system
- 3 Enhancing social inclusion and health

*'Near-zero' for TfN means less than 2% of our 2018 surface transport emissions, and you can find more details in TfN's Decarbonisation Strategy, available [here](#).

Figure 1.1

Our strategic ambitions are underpinned by three core TfN strategies that embrace the principles of this plan:



1

The Northern Powerhouse Independent Economic Review (NPIER), which identifies the economic prize of closing the productivity gap between the North and the rest of England (less London), would mean a Northern economy that is £118bn larger by 2050.



2

TfN's **Regional Decarbonisation Strategy** which sets the need to achieve near zero carbon emissions of surface transport by 2045*.

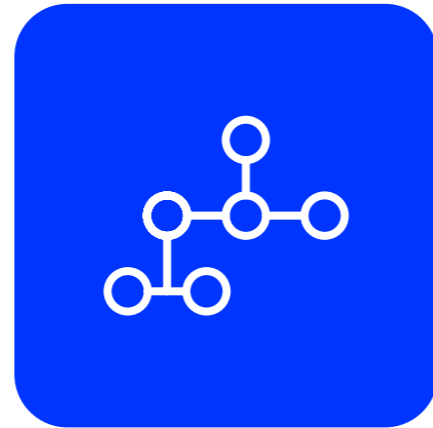


3

Our **Socially Inclusive Transport Strategy** (Connecting Communities) which builds on our ground-breaking work on **Transport Related Social Exclusion (TRSE)** to remove the risk of TRSE for a million people across the North.

To achieve our vision and strategic ambitions, we need to address connectivity challenges by creating a transport system for the North that enables:

- Strong, interdependent and integrated labour markets working collectively to drive up productivity and growth through agglomeration
- Fast, frequent, and reliable connections between our economic centres for goods, people and business
- Strong outward facing connections to other parts of the UK and to our international gateways
- Acceleration of the decarbonisation of our transport system and reduced car dependency both within and between places
- Safe, reliable and accessible public transport networks, both at pan-regional and local level, which enable access to opportunities for all communities across the North.



Improvements in the transport system need to be considered as part of an overall solution to a complex set of economic, environmental and social challenges facing the North of England. When goods, services, knowledge and skills move more freely, greater collaboration and transformational economic growth will follow. This Plan identifies three connectivity needs for the North:

- 1 Pan-Northern connectivity, sustainably connecting the economic centres of the North through our seven Strategic Development Corridors and the delivery of **Northern Powerhouse Rail (NPR)** in full and the **TransPennine Route Upgrade (TRU)** to support the identification of a pipeline of investment and interventions
- 2 Connectivity between the North, other parts of the UK and internationally, recognising the North's critical role in connecting all parts of the UK and across the globe, not least for moving goods
- 3 Supporting our member authorities to transform local connectivity within all places of the North, including cities, towns, coastal and rural areas.

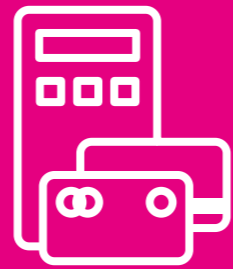
Poor road and rail connectivity is holding back the North, often acting as a binding constraint on growth, and exacerbated by current deficient performance of our rail network. The result is a dependency on private transport for many in the North, which acts as a barrier to opportunity and hinders efforts to decarbonise travel. The North's economic and social challenges manifest in lower-than-average wages for workers, which subsequently leads to multiple and adverse consequences such as increased benefit dependency,

increased health and social care costs and cycles of worsening poverty and inequality.

The way in which businesses and people responded to the pandemic highlighted how the need to travel, and the way in which we travel, can change rapidly. It showed that there is nothing permanent about our current travel choices, and that such choices can be related to digital connectivity and other policy areas; which is why this Plan advocates for system thinking, policy alignment and sustained investment. If we are to achieve national strategic outcomes - like decarbonisation - then we must harness such changes positively as they are transforming future travel demand and choice.

We recognise that future transport investment programmes must support the need for better outcomes. These include transport decarbonisation, improved health, inclusivity, biodiversity gain and a sustainable increase in economic productivity. The shift to this 'decide and provide approach' is essential to ensure our integrated transport system is fit for the future.

It is important we recognise that many aspects of the future are uncertain. Our future travel scenarios demonstrate four plausible options for how people across the North might travel in the future, incorporating a range of different assumptions behind the economic and social drivers of those travel behaviours. The scenarios enable us to test the effectiveness and resilience of proposed policies and interventions across a range of futures and use that analysis to inform the actions we take to deliver the vision set out in this Plan.



Our strategic priorities across rail, road and local connectivity

Given the scale of these challenges, investment is required to provide increased capacity and connectivity locally, across the North, and between the North and the rest of the UK. That investment must recognise:

- Our rail network and wider connections must transform the access to opportunities for millions of people, recognising the need to move beyond the current deficient performance and take clear steps to create capacity for passenger and freight growth over a sustained period of investment.
- The delivery of the full (TfN preferred) NPR network and TRU are fundamental to transforming rail connectivity and capacity across the North of England, connecting our economic centres, for passengers and freight, to unlock the North's potential. This Plan reaffirms TfN's strategic priorities for rail including the need for commitment to our preferred NPR network which includes a new line from Liverpool to Manchester via Warrington and Manchester Airport, a new line from Manchester to Leeds via central Bradford and significant upgrades to the Hope Valley and East Coast Main Line routes (including the Leamside Line) to ensure effective services through to Sheffield, Hull and the North East.
- Our evidence base also shows that High Speed 2 (HS2) phases 2a and 2b were fundamental to transforming connectivity and capacity too. So there remains a need to identify solutions in the absence of HS2 as planned, that will deliver a similar level of connectivity/capacity to and from the North.
- The critical importance of the North's highway network to our economy and supporting our modern society. Roads are a multimodal asset and provide the public space we all use to move around, whether that be on foot, by bike, bus or car and as such they are an essential community asset. We need to choose how the space available is used in order to meet needs to decarbonise, maintain access for freight and encourage active travel and only focus investment where truly needed.
- The importance of improving local connectivity and multimodal integration in providing door-to-door sustainable transport for people and goods.
- We need to ensure we maintain and grow an efficient multimodal freight network by improving gaps in connectivity, including to newly designated freeports and enable growth in freight flows. Delivered holistically, this will allow the economy of the North to be more productive, efficient and sustainable while at the same time improving the environment, health and wellbeing of Northern residents.
- Increasing the North's international connectivity to perform on a global stage will attract and facilitate businesses and entrepreneurs to work together and reach customers and suppliers across the North, the UK and the rest of the world. This will encourage outward and inward overseas trade and investment, which will facilitate economic growth.



A place based approach

The successful delivery of our strategic ambitions and headline objectives can only be achieved through a collective effort nationally, regionally and locally. This can be achieved through effective transport planning and ensuring a strong golden thread through key policies and implementation at a national, regional and local level.

Our People and Place framework uses TfN's extensive evidence base and expertise to identify how policies might best support different types of people and places in the North to achieve our collective vision and strategic outcomes.



Implementation

Since being established in 2018, TfN has created a compelling reputation for clear forward thinking on transport issues, industry-leading technical expertise, local knowledge and relationships. The implementation of this ambitious and challenging Plan will require a concerted sustained effort across the North, in partnership with Government.

This Plan demonstrates the scale of change needed to deliver the strategic outcomes the North wants to see, as well as the significant challenges faced by the current state of the transport system. Creating a virtuous circle of investment

leading to greater choices and enabling mode shift for people and goods, more efficient use of road and rail networks, and greater public transport patronage, while delivering better outcomes for the North's places and communities requires a fundamental change in approach.

The evidence base assembled within this Plan demonstrates how investment in the North's infrastructure contributes to achieving agreed outcomes on reducing carbon emissions, improving health and achieving sustainable economic growth. This will require, at a minimum, alignment of decision making in transport investment with that in energy systems and digital connectivity. TfN's ground-breaking work on **Electric Vehicle (EV)** charging infrastructure demonstrates how we can build strategic partnerships to affect change.

The Plan sets clear metrics for measuring progress on critical issues, such as accessibility, clean air, road safety and performance. This includes mode shift 'right share' metrics that provide a minimum level of ambition necessary to achieve our vision. We commit to continue to work with our delivery partners, businesses, the transport industry and government to shape the priority investments, policies, and interventions, and funding needed to deliver this Plan to ensure we are on track to deliver on our intermediate 2030, and long term 2050, ambitions.

Tackling the transport challenges in the North will also require fundamental reform in the way we plan, develop and deliver investment in infrastructure and services. While significant progress has been made by TfN, government and **local transport authorities (LTAs)** since 2015, there is more to do.

To achieve this Plan's strategic outcomes for the North there is a need for targeted investment in transport, combined with complementary policy and investment in areas such as education, health and economic growth. The NPIER demonstrates how a consistent long-term public-sector approach to policy and investment would lock in private sector capital and generate a positive return on government investment through additional tax revenues and lower spending on health interventions and welfare funding by 2050.

To support strategic planning of transport as part of a whole systems approach, TfN recommends that a 'five year plus five year' regional indicative funding envelope is established. Statutory advice on pan-regional infrastructure and service priorities, which are nationally controlled, could then be prepared within this envelope. This should be complimented by simplification of national funding streams and more devolution to the local level, building upon and extending initiatives such as the Greater Manchester Single Settlement. Indicative funding envelopes built into existing regulatory and statutory processes, would bring significant opportunities to accelerate decision making, reduce uncertainty and avoid duplication of effort at national, regional and local level.

2.

About Transport for the North

Transport for the North is a statutory partner of the Department for Transport. We are a body of elected and business leaders from across the North, who collectively represent the region's 16 million citizens and 1.1 million businesses. We provide one voice for the North's transport priorities. Complementing the work of existing LTAs and with powers devolved from central Government, our role is to add value by ensuring that funding and strategic decisions about transport for the North are informed by local knowledge, expertise and requirements.

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2.1 Our role as a statutory body

Established in 2018, our statutory role (as set out by Government) requires us to develop a **Strategic Transport Plan (Plan)** that communicates pan-Northern priorities to the Secretary of State for Transport and explains how we will act as a statutory partner in enabling delivery of infrastructure and services on behalf of the North's 21 LTAs.

We work at a pan-regional level, focusing on improving strategic connectivity for and within the North. This Plan sets out the case and strategic outcomes for better connecting the places and economic centres of the North to unlock economic potential, increase opportunity and decarbonise our travel choices. Our work explicitly recognises that it is the whole 'door-to-door' journey that matters for people and goods. For our transport system to work efficiently and effectively, it is crucial that pan-Northern road and rail networks are well integrated with local roads and public transport, as well as walking and cycling networks. Local interventions will address important issues, such as reducing congestion and decarbonising local communities, but they are also important contributors to meeting pan-regional outcomes.

This is why we work closely with local transport partners to help create a more integrated, healthy and resilient overall transport system. We also work nationally with government, other **Sub-national Transport Bodies (STBs)** and the devolved administrations to ensure that investment in pan-Northern transport enhances connectivity across the UK and internationally.

2.2 Our stakeholder partnerships

Department for Transport, National Highways and Network Rail

We are a statutory partner of the Department for Transport (DfT) and provide statutory advice on strategic infrastructure priorities to the Secretary of State, using powers defined under the Local Transport Act 2008. TfN was established with the general functions:

- A** To prepare a transport strategy for its area
- B** To provide advice to the Secretary of State about the exercise of transport functions in relation to its area (whether exercisable by the Secretary of State or others)
- C** To co-ordinate the carrying out of transport functions in relation to its area that are exercisable by different constituent authorities with a view to improving the effectiveness and efficiency in the carrying out of those functions
- D** If TfN considers that a transport function in relation to its area would more effectively and efficiently be carried out by TfN to make proposals to the Secretary of State for the transfer of that function to TfN
- E** To make other proposals to the Secretary of State about the role and functions of TfN.

TfN was also granted additional powers to support its partners in delivering proposals of pan-regional significance, such as the power to coordinate and deliver smart ticketing, partner in road and rail investment decisions and oversee franchised rail services with DfT.



We jointly manage with DfT the delivery of rail services provided through Northern and TransPennine contracts as part of the Rail North Partnership. We co-sponsor the NPR Programme, which TfN co-designed with DfT and Network Rail. We also provide advanced analytical services to DfT in support of NPR business case and scheme development.

We work closely with **Network Rail** and contribute to long-term strategic planning for the railways in the North. Network Rail also participates in the Rail North Partnership, which helps ensure that service and infrastructure development are aligned. We are working closely with Network Rail, DfT and the Great British Railways Transition Team to identify how together we can use the commitment to rail reform as an opportunity to build upon the rail devolution that already exists in the North.



We work collaboratively with **National Highways** (through the Highways North Board) to inform and influence the Road Investment Strategy. National Highways is responsible for the effective operation, maintenance, and improvement of the **Strategic Road Network (SRN)** in England. Their objectives, performance indicators and targets are reviewed and agreed on a five-year cycle through the development of Road Investment Strategies.

A joint engagement framework and action plan identifies areas for collaboration and ensures that the views and objectives of TfN and National Highways are recognised and considered in the development and delivery of each organisation's respective plans. As Chapter Five sets out, the approach to the SRN complements that for the **Major Road Network (MRN)**.

We work collaboratively with the North's 21 LTAs, who are responsible for managing and investing in local transport networks such as investment in local roads, cycling, walking, and buses, and in some cases light rail.

Our pan-Northern role means we are involved in many non-statutory partnerships to ensure we take a 'systems approach' to transport planning. Our strategic partnerships, which we continue to maintain and develop to ensure our plans and those of our LTA partners are informed by evidence, include:

- Links to ensure there is a strong business voice in our work. Until recently this has been through the 11 Northern **local enterprise partnerships (LEPs)** who we engaged with individually and collectively through NP11. We will continue close engagement as successor arrangements are put in place following changes to the LEPs. We engage with other business representatives, including Chambers of Commerce on supporting regional economic development.
- Other pan-Northern bodies including Homes for the North, the Northern Powerhouse Partnership, the Northern Gas Network and other energy providers. We are represented on the Yorkshire Climate Commission, and have close links to bodies with a strategic interest in physical, digital and spatial planning.
- Our UK wide role as the only statutory STB, including our formal and strategic partnerships with Transport Scotland, Transport Wales and the other STBs across England. We have close links to the **National Infrastructure Commission (NIC)**, Rail Industry Association, Logistics UK and Rail Freight Group.
- Our links to academics and research through the N8 (a collaboration of the eight most research-intensive universities in the North of England), and also working with organisations such as the Institute for Transport Studies and **Institute for Public Policy Research (IPPR) North**. We established, and chair, the Northern Transport Academic Forum which brings together research interests to discuss key issues.

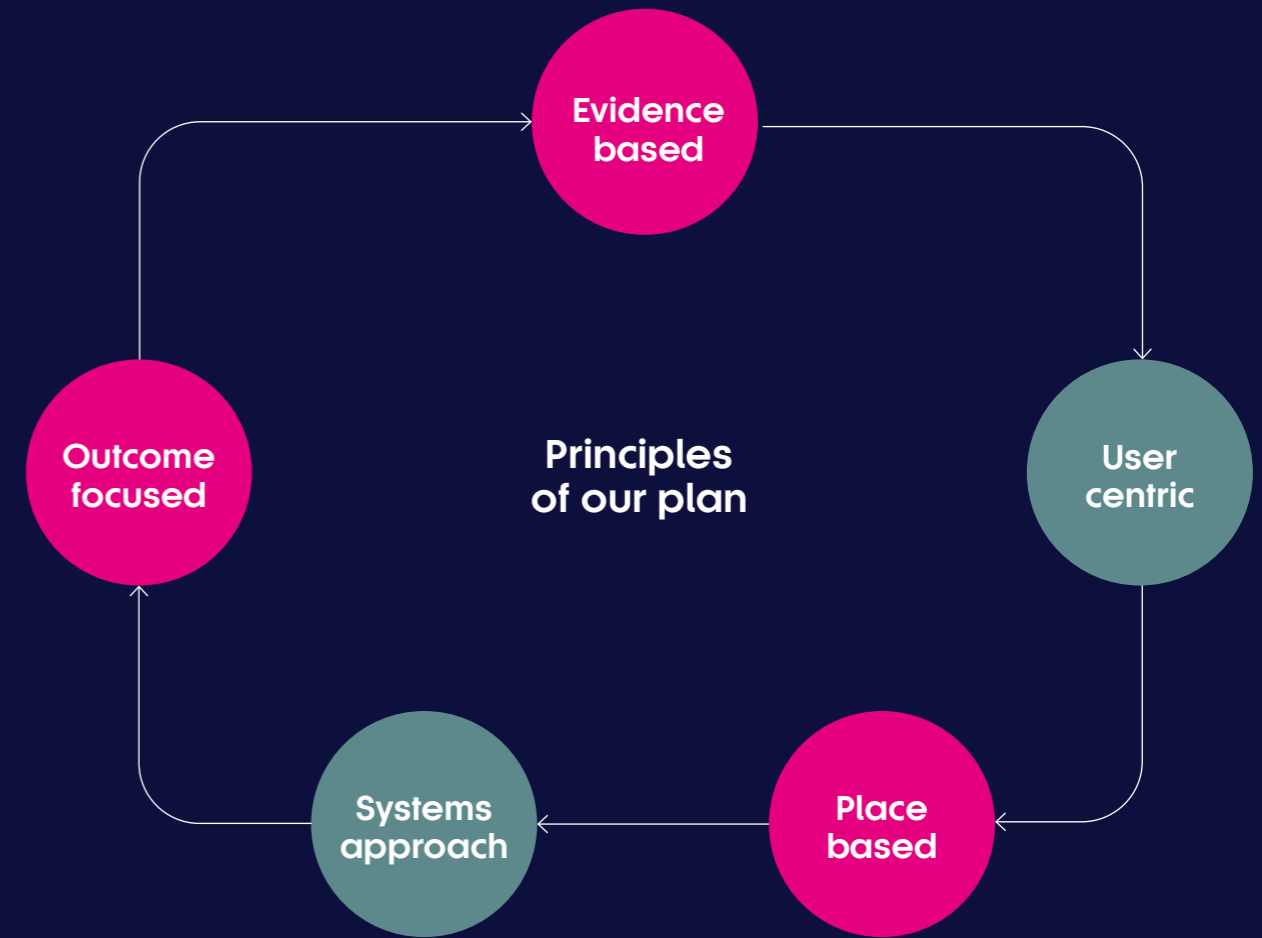
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2.3 About the Strategic Transport Plan

Our Plan sets out the opportunities and challenges facing the North of England's economy, people and communities, demonstrating how improved transport links are needed to help the North achieve its true potential. The Plan recognises the North's diverse and unique people, places, transport infrastructure and business landscape. It sets out how better connecting the key economic centres across the North will transform economic performance, open opportunities for people, businesses and communities and facilitate the rapid decarbonisation of our transport system while recognising the impact of our transport choices on the environment.

Investment in the transport system must be considered as part of the solution to a complex set of economic, environmental and social challenges. This is why we are outcome-focused and place-based in our thinking to ensure that the transport networks of 2050 are planned and delivered as part of a coherent ecosystem. Transport can be a catalyst for change in people's lives, bringing opportunity and choice to communities and businesses. Our Plan therefore aims to maximise the opportunities of an integrated, decarbonised, and more productive North by delivering a modern, efficient, accessible, and affordable transport system. This Plan has been developed in response to that opportunity and is built on five principles:

Figure 2.1

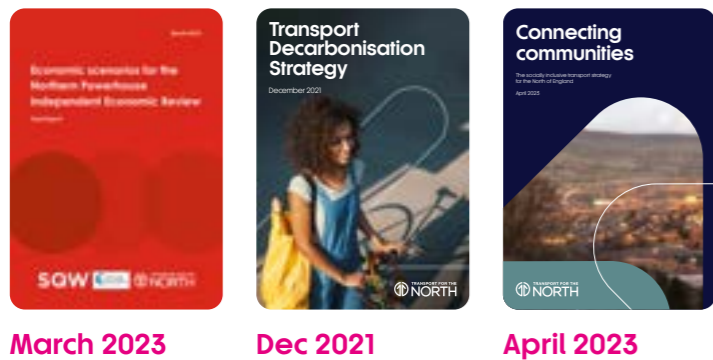


- Evidence based**
Ensuring our plan and its asks are grounded in robust evidence.
- User centric**
Recognising that people and businesses need different things from the transport system.
- Place based**
Recognising that the North's geography is diverse and therefore the transport solutions available, scale and pace for change will vary.
- Systems approach**
Recognising that we need to work with a range of partners in different sectors to find appropriate solutions and overcome barriers to delivery, as transport solutions alone won't achieve our vision for the North.
- Outcome focused**
Including a clear set of headline SMART objectives & targets / end states.

The Plan builds on the original vision in the Northern Transport Strategy 2015 and the first Strategic Transport Plan in 2019 of “a thriving North of England, where world class transport supports sustainable economic growth, excellent quality of life and improved opportunities for all” with a renewed focus on decarbonisation and social opportunity. This Plan is founded on the evidence, analysis, strategy development and policy thinking we have done since that time, which is summarised in Figure 2.2.

Figure 2.2: Hierarchy of TfN Strategies, Reports and Policy

Three "strategies"



Four thematic reports



Policy positions and evidence



3.

Our vision and strategic ambitions

3.1 Our vision

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By 2050 the North of England will have become a thriving, socially inclusive region. Our communities, businesses and places will all benefit from sustainable economic growth, improved health and wellbeing and access to opportunities for all.

This will be achieved through a transformed near zero emission, integrated, safe, affordable, and sustainable transport system, which will enhance connectivity and resilience, support mode shift and improve journey times for all users.

Enabling the North to grow its economy, decarbonise its transport system, and bring prosperity and wellbeing to its communities is a multi-decade project. It requires a clear, long-term, and sustained vision, supported by clear outcomes, to frame the choices and investment decisions across future political cycles.

Our vision and strategic ambitions have been informed by our extensive evidence base, including the 2023 update to the NPIER (originally published in 2016), which was our first strategic long-term assessment of the North's economy¹. This review identified seven key sectoral capabilities in the North that have the potential to support transformational growth through sustained investment in transport connectivity, skills, research and development (R&D), graduate retention, and inward investment.

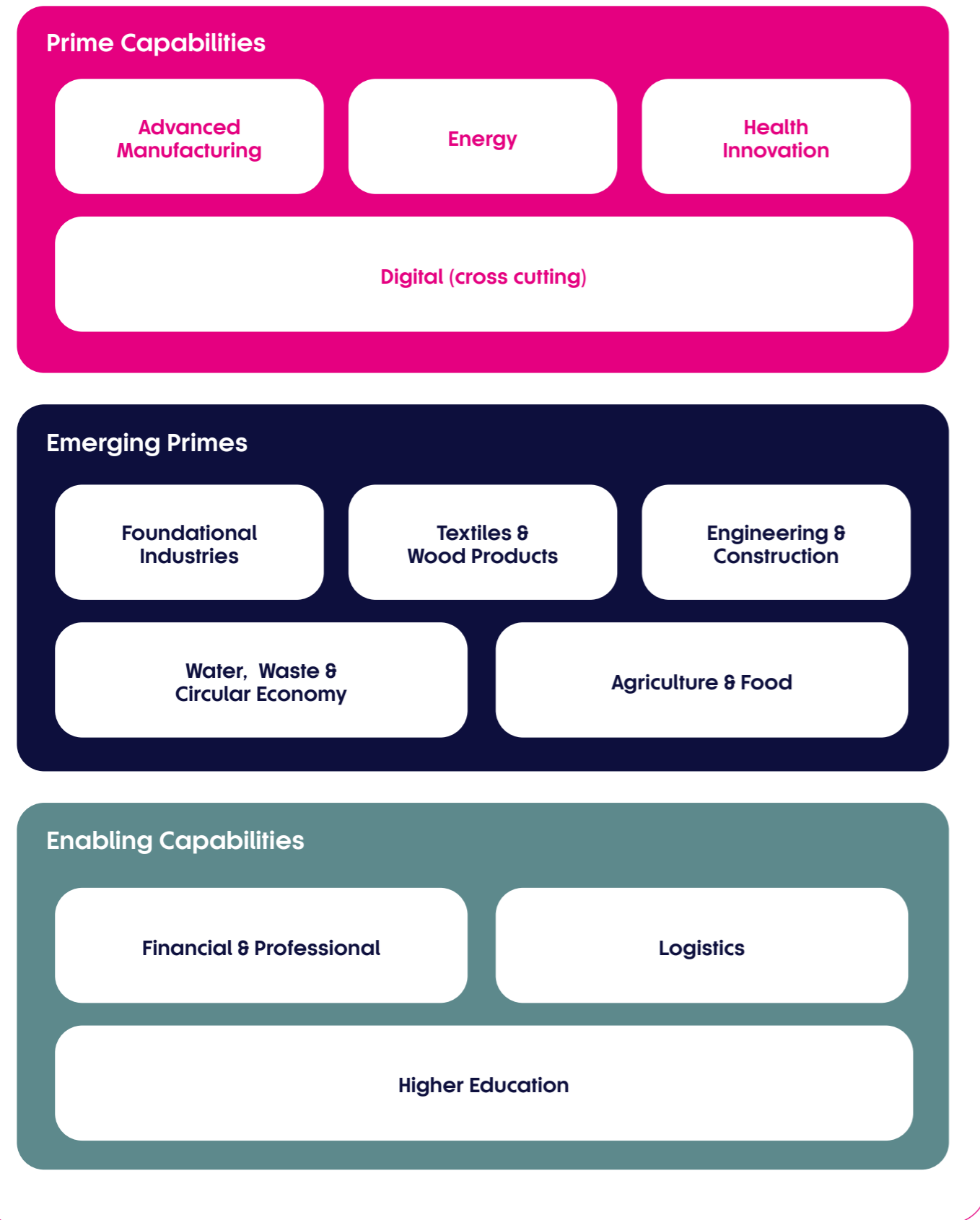
The NPIER was instrumental in framing the scale of economic opportunity in our first Plan. It provides the strategic economic context for this Plan and is embedded in the transport plans and economic strategies across the region.

An update of the NPIER scenarios has been undertaken to support the development of this Plan, particularly to recognise changes since 2016, such as the policy importance of net zero and covid-19 impacts. The new assessment confirms the opportunity from, and continued importance, of the seven 'prime and enabling capabilities' of the North's economy, as well as emerging and wider sectoral strengths, including engineering, construction, food and agriculture.

The North's foundational economy is also significant, estimated to currently employ 67% of the North's workforce and generating 63% of all economic output². The foundational economy describes businesses and organisations that provide essential goods and services, including transport infrastructure, health and social care, and food production.



Figure 3.1: The North's economic capabilities as identified in the NPIER



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TfN's **Future Travel Scenarios**, which were developed and agreed with our partners, support our adoption of the 'decide and provide approach' to long-term strategic planning. These scenarios enable a better understanding of the potential range of challenges and opportunities ahead and how those might affect travel behaviours. As a tool, the Future Travel Scenarios therefore help us consider how different policies and interventions might play out in different (plausible) futures. That insight allows us - in conjunction with our analytical framework - to help shape, test, and refine transport interventions and solutions with our partners to deliver the vision set out in this Plan.

The scenarios consider future uncertainties from today to 2050, including:



By building an understanding of future uncertainty, we can explore different potential future travel patterns of people, businesses and goods. This enables us to test the effectiveness of the actions we might take, including potential policy levers in those plausible futures, and which interventions are needed in all futures and can be 'no regrets' investments. This approach aligns with the Government Office for Science Futures Toolkit⁵. Our current travel scenarios are set out below. We are updating them and expect to complete that work during 2024.



TfN's four Future Travel Scenarios

Just About Managing

This scenario sees a state of inertia, although this should not be taken as neutral. It sees a future where people do not alter their behaviours much from today, or give up certain luxuries, although there is a gradual continued trend towards virtual interaction. Economic growth continues at a moderate rate, but it is largely consumption-led and unequal, lacking agility and vulnerable to shocks. This scenario is led by markets, without much increase in political direction, with its biggest driver being economic.

Prioritised Places

This scenario sees a significant shift in political and economic direction to ensure that no place is left behind. Every area, including cities, towns and rural and coastal areas, has a bespoke local economic strategy, supported by investment in local assets, specialisms and economic and social infrastructure. Community, localism and place-making across the North is applied to build a sense of local identity to improve local economies. There is a focus on work-life balance and social equity within and between places. This scenario is led by a change in priorities, with its biggest driver being the push for a fairer redistribution of economic prosperity.

Digitally Distributed

This scenario sees a future where digital and technological advances accelerate, transforming how we work, travel and live. In general, we embrace these technological changes and the move towards a distributed, service-based transport system. Long-term climate change targets are met, but there is slow progress in the short-term due to a general preference for individualised mobility over traditional public transport. This scenario is led by technology, with the biggest drivers being technical advances and a willingness to embrace mobility-as-a-service and shared mobility in the long-term.

Urban Zero Carbon

This scenario sees a significant shift in public attitudes towards action on climate change, and a strong national Government response to meet it. There is a boost to economic productivity to levels consistent with the NPIER, primarily through a combination of urban agglomeration and place-making. Transport users demand and embrace publicly available transit and active travel options, as there is a blurring of the line between 'public' and 'private' with increasing shared mobility systems online. This scenario is led by attitudes to climate action and urban place-making, with the biggest drivers being strong Government policy and trends of urban densification.

By modelling our future scenarios, we can understand the scale of change in how and why we travel that we need to prepare for, especially the need for improved pan-regional connectivity. This includes:

- Preparing for potential doubling or even tripling of rail travel between now and 2050 for passengers and freight.
- Recognising that investing to increase the transport choices available will be essential for both our decarbonisation and growth ambitions. While the car is likely to remain a dominant mode for much of the North, particularly for rural communities, we must find the right balance that can work for different communities and places.
- Our freight flows need to grow significantly under all scenarios, reflecting the NPIER update. We can take advantage of the spare aviation and port capacity in the North to accommodate that growth.
- Infrastructure, technology and service improvements alone are unlikely to achieve the change across the transport system required to achieve our outcomes. We need significant national policy interventions (as outlined in the NPIER scenarios) and the right incentives in place to facilitate and encourage behaviour change.
- We need to take a place-based approach to developing solutions. While connectivity can be a major enabler of change, the non-transport policy levers may be more important in certain situations and places.



3.2 Our strategic ambitions

Our vision is supported by three strategic ambitions for the North:

- 1 Transforming economic performance
- 2 Rapid decarbonisation of our transport system
- 3 Enhancing social inclusion and health

Each ambition requires transformational change for the North, requiring a combination of investment, policy change and behavioural shift to be achieved. To be successful, we must develop and agree holistic solutions across policy areas.

3.2.1 Strategic ambition: transforming economic performance

Transport for the North was established in recognition of the opportunity for the UK to create a more prosperous and productive North that builds on its economic strengths and assets, creating a stronger, more coherent and inter-connected economy.

We can realise the benefits of agglomeration by joining up economic centres. This reduces barriers to trade for businesses and expands job opportunities for people. This can help the region gain a size and scale of economic activity that can rival some of the largest and most productive places in the world and can ensure that the whole region is greater than the sum of its parts. Transforming connectivity is fundamental to transforming the North's economy, and this Plan sets out the strategic ambitions necessary in transport - aligned with other policy levers and investment (such as innovation, skills and health) - to enable that to happen.

The North has a historical productivity gap with the rest of England. Productivity gaps also exist across the North itself. The NPIER identified the lack of agglomeration as a key weakness of the North's economy, and identified poor transport connectivity as a key barrier to creating integrated labour markets that can drive sustainable productivity growth across the whole region.

Since 1981, the North's economic value per person (measured as Gross Value Added - GVA) has been typically 10-15% below the average for the rest of England, excluding London. The most recent available data for 2021 reveals that gap remains at 10.6% below the rest of England average (excluding London)⁴.



The NPIER identifies the fundamental need for transport investment to provide more (and faster) passenger and freight connections between the North's economic centres, as well as to other parts of the UK and international gateways, to unlock sustainable economic growth. However, it also highlights a widening of the productivity gap between the North and other parts of England (less London) since 2016. The challenge has grown, but the potential opportunity remains as strong as ever.

Alongside a baseline 'business as usual' scenario in the updated NPIER, the four other scenarios are:

- A** A net zero scenario with a strong focus on green innovation and growth
- B** Technology transformation, supporting research, innovation, entrepreneurialism and technology adoption
- C** Inclusive productivity, interventions to support the health, well-being and skills of the Northern workforce
- D** Development supply, designed to boost the supply of commercial property and domestic housing.

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Modelling all four scenarios together gives the fully transformational scenario, which underpins the STP. Under this, GVA growth and job creation would surpass the ambitions we set for the North in the NPIER 2016. Productivity would also be higher (by 2050) than the rest of England (excluding London). This would result in an economy in the North that would be £118bn larger by 2050 than current forecasts. Significant additional investment could result in strong economic and fiscal returns to the UK economy and the public purse. The return on investment, excluding the wider societal benefits and those of achieving net zero, would be around 2.8 times the investment, with additional revenue back to the public purse of around £720bn⁵.

To achieve the NPIER transformational scenario a step change in funding and outcomes is required across a range of policy areas including skills, innovation and transport. This plan sets out our connectivity requirements to support the North to reach the NPIER transformational scenario, more widely. We will continue to work with Northern partners to refine the evidence base and identify the other policy interventions necessary to achieve this economic ambition.

3.2.2 Strategic ambition: rapid decarbonisation of surface transport

We are committed to a pan-regional near-zero carbon surface transport system by 2045. The North is ambitious in tackling carbon emissions and wants to go further and faster than Government policy.

The benefits of transport decarbonisation extend far wider than reducing greenhouse gas emissions and the effects of climate change. Decarbonising our transport system can drive clean economic growth, as well as unlocking health, natural capital and wider social value benefits.

TfN and our partners have committed to a regional near-zero carbon surface transport system by 2045, allowing a cumulative total of about 300 mega-tonnes of CO₂ equivalent (e) to be emitted between 2018 and 2045. We have set interim milestones including a 56% reduction in emissions by 2030 and a 96% reduction by 2040. Our projections show that without immediate action to reduce surface transport emissions faster than our current rate, we will exceed our carbon budget from around 2030. The level of commitment that will be needed to achieve our trajectory in this area is highlighted within our Decarbonisation Strategy (2021)⁶.

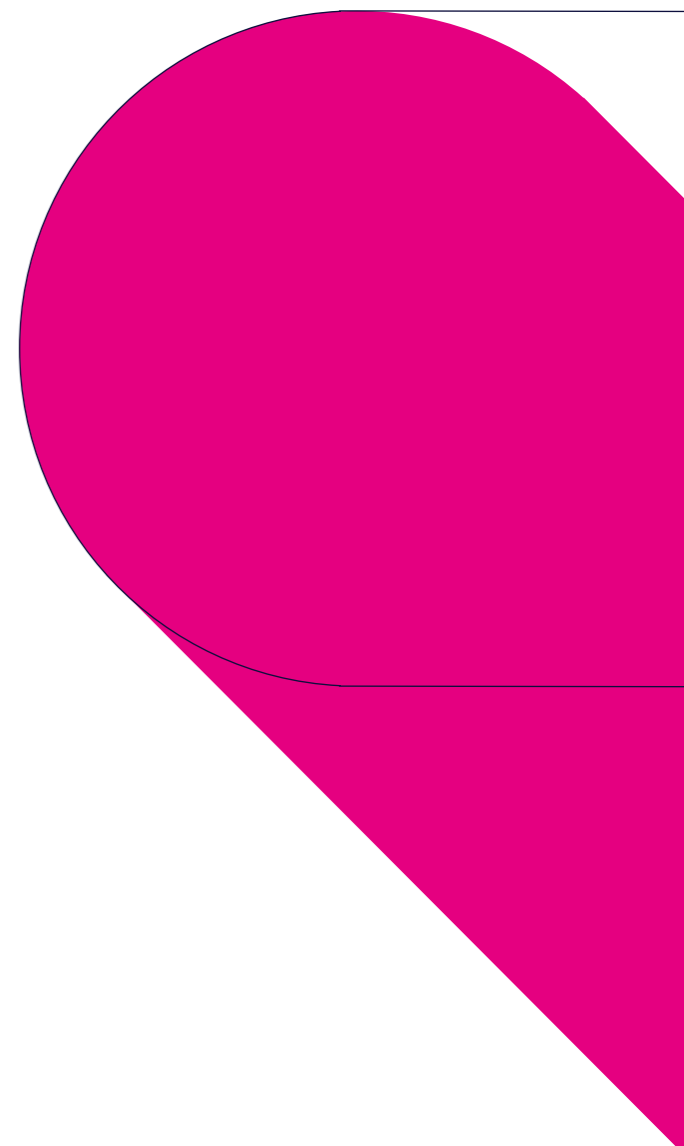
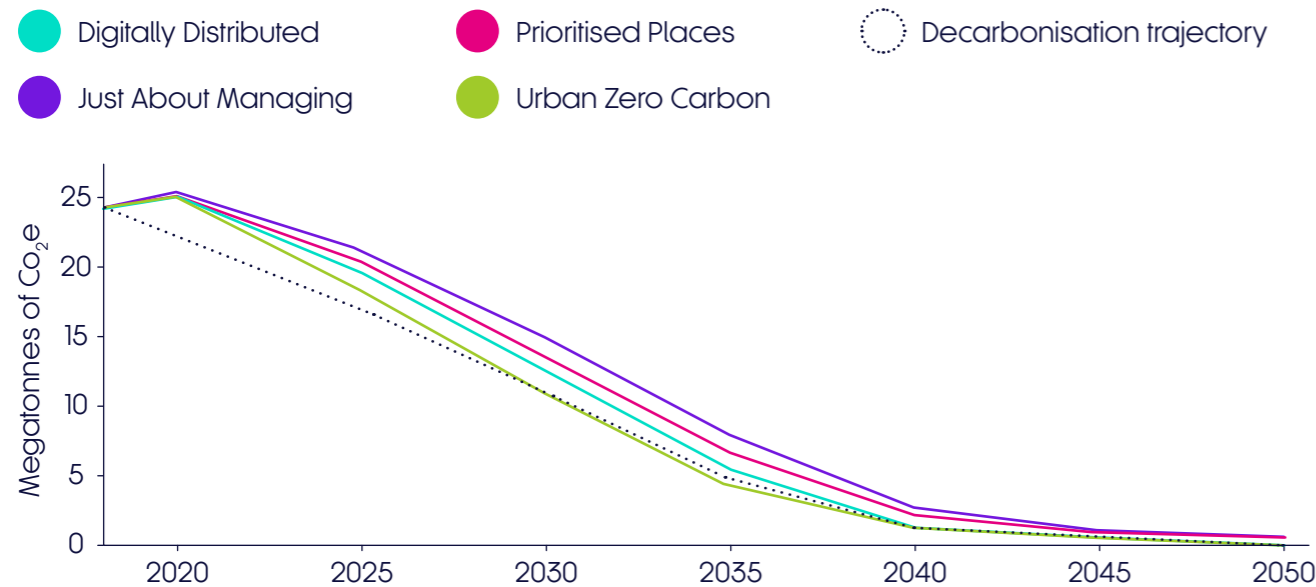


Figure 3.2: Total emissions by scenario compared to the decarbonisation trajectory

Total emissions in each Future Travel Scenario



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Many of our partner authorities have committed to achieving close to zero or net zero carbon targets prior to 2045. West Yorkshire Combined Authority and Greater Manchester Combined Authority have committed to a 2038 whole economy net zero target, while Leeds City Council and Blackpool Council have adopted 2030 dates.

Taking a systems approach to decarbonisation means we make best use of existing infrastructure and systems, ensuring the prudent use of natural resources and minimising the embodied carbon in our system. This emphasis on working with what we already have means that shifting towards more sustainable travel behaviours is one of the fundamental requirements to successfully hitting our decarbonisation trajectory. Where new infrastructure is required, it will be important to maximise the re-use and recycling of materials. While the North wants to go further and

faster, that must be delivered in a fair way, reducing levels of car dependency and facilitating modal shift to public and active travel modes, whilst also recognising the additional challenges faced by our rural areas and their greater dependence on private vehicles for journeys. It is why this Plan provides a policy framework for interventions that can reduce private vehicle mileage in the context of place, to achieve the societal and environmental outcomes a prosperous North requires.

Furthermore, we must continually reassess how carbon and climate change effects are considered within scheme appraisal to ensure sufficient value is placed on these factors. A zero-carbon transport system must be at the core of public policy making and investment decisions. As the effects of climate change on our transport system grow, we will need an increasing focus on resilience and adaptation, in relation to both planned infrastructure and existing networks.

Alongside tackling the climate crisis, and intrinsically linked with it, is tackling the biodiversity crisis. We want to ensure that new infrastructure is designed to minimise any adverse impacts on the natural, historic and built environment. New infrastructure needs to deliver an environmental net gain through aiding local nature recovery, improving our green and blue infrastructure and developing nature-based solutions for reducing emissions. We also need to increase our infrastructure's resilience to the effects of climate change, recognising that access to the natural environment can improve physical and mental health too.

3.2.3 Strategic ambition: enhancing social inclusion and health

This Plan must deliver for everyone who lives and works in the North by delivering better access to opportunities, key services, the natural environment and community life. 3.3 million people in the North of England live in areas in which there is a high risk of TRSE. This equates to 21% of the population of the North, compared with 16% of the population in the rest of England. These issues have a fundamental effect on everyday life, such as limiting access to good quality work, education and healthcare services, and by placing excessive time, monetary and wellbeing costs on people⁷.

Eliminating the persistent inequalities in transport between the North and the rest of England will reduce the number of people in the North living in areas at high risk of TRSE by one million and reduce the number of people living in areas with a very high risk of TRSE by 370,000 by 2050.

Our socially inclusive transport strategy has helped us understand the types and levels of transport infrastructure and services that are needed to deliver an inclusive transport system.

We need greater investment and faster improvements in areas where there is a high TRSE risk. Our research tells us that the high level of car dependency is the key driver of TRSE in the North. This has been exacerbated by declining bus service provision, which has reduced the travel choices for the most vulnerable people in our communities. This trend has been amplified by the impacts of the covid-19 pandemic, which has dampened demand for (and therefore the commercial viability of) many rural, and some urban, bus services.

The impacts of TRSE include the cost and time entailed in using the transport system, the linked stress and anxiety and how it acts as a barrier to jobs, training and healthcare. Together, these impacts can contribute to a vicious cycle of poverty, isolation and poor access to basic services.

To address TRSE we need to transform the quality, availability and cost of our local public transport services, alongside the rollout of safe, convenient, and accessible routes for walking, cycling and wheeling that connect communities to key destinations. A co-ordinated approach is required to ensure strategic and local transport investment programmes are aligned towards this aim, including complementary planning and digital connectivity policies. Equally, more opportunities for safe active travel, bring not only health and wellbeing benefits from more physical activity, but also greater economic opportunities. If people feel safer on a bus route or riding their bicycle to work, it could encourage behaviour change and open up more employment options.

TRSE is geographically concentrated, reflecting the combination of poor access to key destinations with the transport options available, high levels of inequality of access between transport modes, and high levels of vulnerability to social exclusion among the population. In the North, that risk is greatest in rural towns and urban fringes, with 35% of those living in these areas at a high risk of TRSE. Smaller cities and larger towns, outside of the major conurbations, have elevated levels too. Fragmentation, unreliability, and the affordability of public transport are contributory factors, with poor conditions for active travel, meaning these places see more forced car ownership.

As well as geographical concentrations, TRSE is also concentrated among specific population groups. Those on low incomes and in insecure work, people with disabilities and long-term health conditions, and carers are particularly likely to be affected. These populations face greater constraints on their transport choices, greater consequences when their journeys go wrong and often need to travel in ways that differ from the best served commuter routes. These inequalities have been exacerbated by rising inflation and falling real wage levels, with these populations facing further cost constraints and greater financial stress.

Our ambition is to reduce the inequalities entrenched in our current transport system, and to move to a system that delivers for all areas and communities across the North. The place-based approach that underpins this Plan is key to reducing TRSE across the North, underpinned by a framework of policy and investments required to tackle social exclusion at a local user level.

This means eliminating transport poverty, targeting investment in parts of the North with the greatest need, and enabling modal shift away from car dependency and towards enhanced public transport and active travel options. These enhancements require a combination of improved coverage,

3.3 Our connectivity priorities

The North has several strong economic, social and environmental assets that are inter-linked and inter-dependent, and this Plan seeks to build upon and strengthen these linkages. Achieving transformational growth that is socially inclusive and meets the legal requirement to decarbonise the economy will require a strong focus on green innovation and growth, technological transformation, labour market participation, wellbeing and skills.

However, as the evidence shows, our current transport system is holding us back. Poor connectivity is constraining the movement of people, goods and services around the North and with other parts of the UK. While at a local level, our transport networks do not provide our cities, towns and rural communities with sufficient access to jobs, health and leisure without owning a private car.

To achieve our vision and strategic ambitions, we need to address these connectivity challenges by creating a transport system for the North that enables:

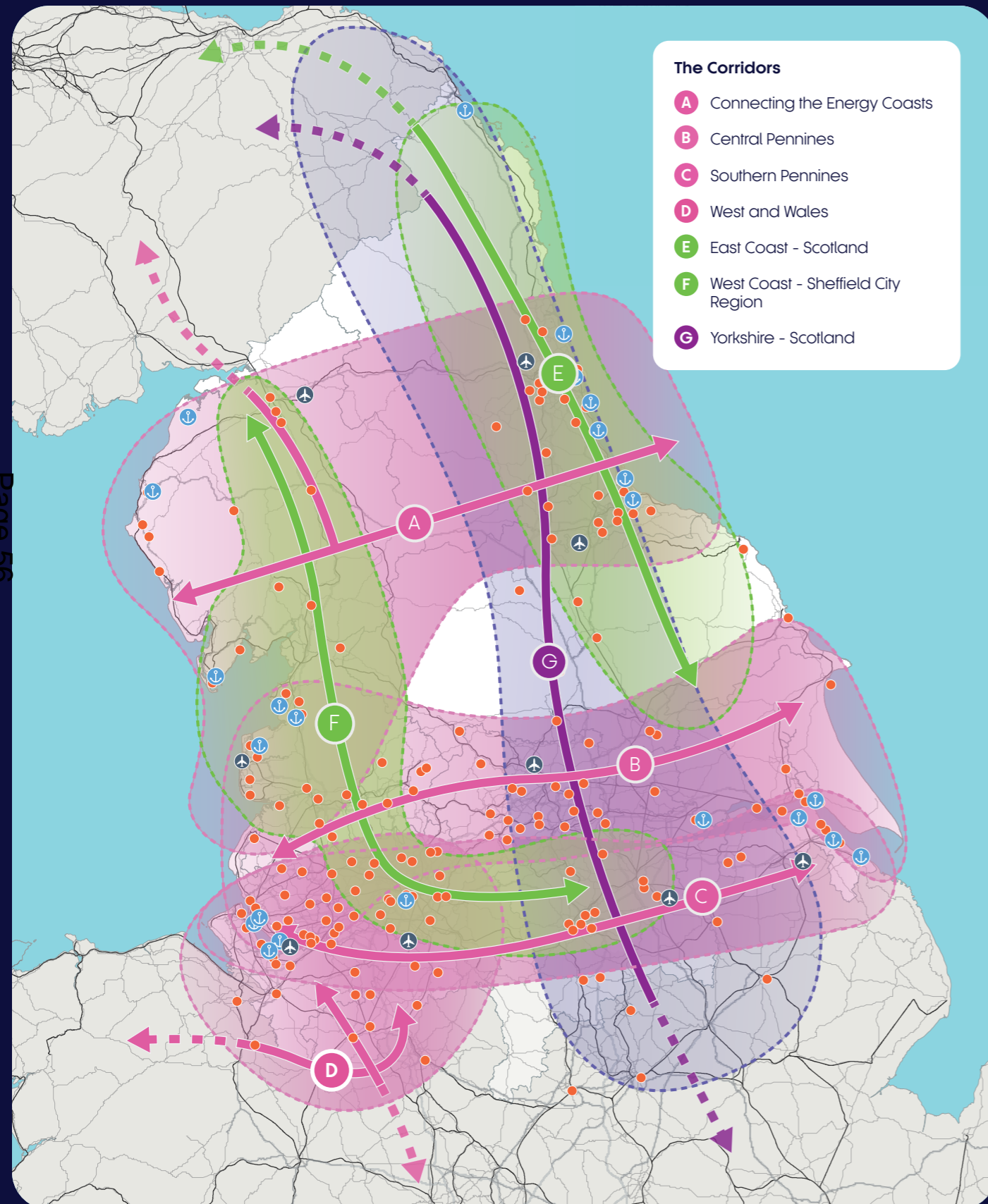
- Strong interdependent and integrated labour markets, working collectively to drive up productivity and growth through agglomeration.
- Fast, frequent, and reliable connections between our economic centres for goods, people, and business; with equally strong outward facing connections to other parts of the UK and to our international gateways.
- Acceleration of the decarbonisation of our transport system; as well as reduced car dependency both within and between places.
- Safe, reliable and accessible public transport networks, both inter-city, intra-city and locally to open access to opportunities for all communities across the North.

TfN has three connectivity priorities:

- Pan-Northern connectivity
- Connectivity between the North and other parts of the UK, including international gateways
- Local connectivity within places



Connections across the North. We have identified seven Strategic Development Corridors (SDCs) which connect communities to the key economic assets and clusters in a sustainable manner⁸.



Each corridor represents an area where our evidence identifies that investment in transport infrastructure will unlock and enable transformational economic growth - interlinking **local transport plans (LTPs)** with regional, national and international connectivity.

Our SDCs are individually designed to meet the needs of people and businesses from a regional perspective. They present multimodal transport corridors critical to supporting the North's ambitions for transformational economic growth according to our evidence base. They have shaped and informed our advice to Government since the first STP. This approach means TfN and partners can maximise the benefits of any significant new strategic infrastructure investment, ensuring that the pipeline of transport interventions aligns with national policy, and local transport and spatial plans including housing.

Strategic Development Corridor	Assets connected
Connecting the Energy Coasts	<ul style="list-style-type: none"> Low-carbon energy and research assets Visitor destinations Economic centres and assets Ports Airports
Central Pennines	<ul style="list-style-type: none"> Major economic centres Aerospace manufacturing cluster Ports Airports
Southern Pennines	<ul style="list-style-type: none"> Major economic centres Visitor destinations Ports Airports Low-carbon energy and logistics (e.g. Energy Estuary in the Humber)
West and Wales	<ul style="list-style-type: none"> Economic centres and assets International and key national transport hubs
East Coast Mainline - Scotland	<ul style="list-style-type: none"> Advanced manufacturing clusters Logistics assets Energy industry Economic assets and clusters Visitor destinations Ports Airports
West Coast Mainline - Sheffield City Region	<ul style="list-style-type: none"> Advanced manufacturing clusters Visitor destinations
Yorkshire to Scotland	<ul style="list-style-type: none"> Economic centres and assets Airports Rail hubs Intermodal freight terminals

Connections to and through the North with the rest of the UK, including international gateways

As well as improving pan-Northern and local connectivity, in order to realise the North's economic potential we must also ensure our transport system enables our business community to compete on the national and global stage. It needs to be easier and more attractive for businesses and entrepreneurs to work together, and reach customers and suppliers across the North, the UK and the rest of the world.

TfN recognises the importance of our cross-border communities and economic areas, as highlighted through many of our SDCs, which extend into Wales, Scotland, and the Midlands. We also recognise the value of investing in places that aren't within the North but can help the logistics sector move goods more efficiently. This includes places like Ely where investment can help strengthen connectivity for freight flows from the North to the southern ports and Felixstowe.

The North is unique in having direct surface and sea connections with all three other countries of the UK, as well as providing the conduit for much of the traffic and goods that come into England from Scotland, Northern Ireland and north Wales. Tackling key Northern bottlenecks and building capacity for growth can unlock wider benefits for Scotland, Wales, Northern Ireland, the Midlands and other English regions.

The **Union Connectivity Review (UCR)** has shown how improved transport connectivity across the UK can support economic growth and quality of life in all parts of the UK. Like our SDCs, the UCR supports a multimodal corridor-based approach for network planning, connecting the major cities, economic

regions, airports and ports across the nation. TfN supports the recommendation of the UCR to create a UK wide multi-modal strategic transport network.



Local connectivity needs

Our previous Plan outlined the importance of local connectivity and multimodal integration in providing door-to-door sustainable transport for people and goods. This will need to create a genuinely attractive alternative for car use for a wide range of journeys, including those that start locally but end further afield. This includes investing in sustainable surface access to international gateways for passengers and freight, recognising our ports and airports as key economic assets. This is one example of the need to align investment across our transport system to achieve an integrated, affordable and connected network, that enables consistent choice even for longer distance trips. That will require a mix of technology, behaviour change and mode-shift solutions. All of which need to be underpinned by significant investment in bus, rail and active travel networks to enable greater choice to the user.





4.

The case for change

4.1 The North today

To successfully plan for our region's future and unlock its full potential, we must first understand how it looks today. The North of England currently has a population of 15.6 million people, 23.2% of all people in the UK⁹. The North is a hugely diverse region in terms of both built and natural environments, as well as the types of communities and businesses that are found here. It is home to some of the largest conurbations in the UK, as well as large rural areas, with a mix of communities of diverse backgrounds and circumstances found in both. Poor connectivity between these places means our economy is underperforming and opportunities for the people of the North are constrained.

The North has outstanding natural assets and physical geography, as well as being home to a wide range of valuable landscapes, townscapes, coastlines and cultural heritage features. It has five of the UK's 15 national parks, six UNESCO world heritage sites, 168 listed blue flag beaches, 309 registered parks and gardens, over 5,000 scheduled monuments and nearly 70,000 listed buildings¹⁰.

Large areas of ancient woodland can be found in the North, particularly in Cumbria, the Peak District and the North York Moors. The North's cities and historic towns are renowned for their culture, heritage, sport, leisure, and events offer. The North boasts several cities of culture including Liverpool (European Capital of Culture 2008 and Eurovision host 2023), Hull (UK City of Culture 2017), Leeds (Year of Culture 2023) and Bradford (UK City of Culture 2025).

The Pennines play a defining role in the region's physical and economic geography, creating the dramatic landscapes of our national parks and areas of outstanding natural beauty (AONBs). They also shape the North's polycentric economic structure, its transport networks and its links to other parts of the UK. The North's towns and cities are distinctive in their size and spatial proximity when compared to concentrations in other countries¹¹. Indeed, the North of England is arguably one of the most polycentric regions in Europe. Furthermore, with the Pennines acting as a geographical barrier to road and rail routes, the region's physical geography splits it into East and West.

Transport affordability is a significant part of the social exclusion challenge in the North, and also constrains economic growth. Access to education and training, higher paying and more secure job opportunities, and access to childcare are all constrained by transport affordability. This creates a vicious cycle in which affordability challenges constrain income increases and the lack of income increases contributes to affordability challenges.

The transport affordability challenge in the North is long-running but has worsened in the last decade. Over this period, rail fares and driving costs, both of which skew towards higher income groups, have increased by 38.4% and 43.3% respectively. Concurrently, bus and coach fares, which are more commonly used by those on lower incomes, have increased by 58.4%. This is significantly above the level of average wage growth over this period of 42.3%¹². This distributional impact has been worsened by a combination of real terms fuel duty cuts and cuts to government support for local bus services, and is highly regressive.

As well as these average increases, the fare structures in the public transport network often place higher cost burdens on lower income populations. For example, even where the distance is equivalent, a single stage trip between a suburb and city centre is usually cheaper than a multi-stage trip between neighbourhoods, or to a peripheral industrial or service area. This means that fare structures benefit trips disproportionately taken by middle- and higher-income groups, over those more commonly taken by lower income groups. Similarly, season tickets offer significant discounts to those with those consistent commuting patterns and the ability to pay

up front, which is more common among middle- and higher-income groups.

The poor active travel conditions and car-dominated environments widely present in towns and cities in the North also contribute to this affordability challenge. The quality of the environment, particularly streetscape and walking conditions, influences spending in local centres. These conditions are therefore part of a vicious cycle that have contributed to the loss of shops and services from local town centres into out-of-town centres that lock in car use. Consequently, low or no-cost active travel trips are replaced by relatively more expensive modes, and levels of forced car ownership increase.

Our evidence also shows that the current cost-of-living crisis has added to these issues of transport affordability and has led many to change why, where, and how they travel. As well as overall increases in levels of financial stress, falling real income levels have disproportionately fallen on population groups that were already facing greater transport affordability challenges. This includes those on low incomes and in insecure work, women, some ethnic minority communities, and disabled people¹³.

4.2 The North's economy

In 2021, the North contributed almost £386bn GVA, equivalent to almost 19%, to the UK economy¹⁴. Over the last decade (2011 to 2021) the North's economy has grown by £100bn GVA, and the region continues to contribute strongly to the UK economy.

The region is home to around 1.1 million businesses, and the number of businesses increased by over 15% (or 141,000 between 2012 and 2022)¹⁵. In that period, the North's growth in total businesses also outperformed the rest of the UK.

Employment creation has been strong over the past decade - the NPIER 2023 reports that just before the covid-19 pandemic the number of jobs in the North had increased by almost 300,000 since 2016. In the North there are over 500,000 more people in employment since 2012, and employment is expected to continue to grow in the coming decades. At present 7.31 million people are in employment across the North¹⁶. TfN's research on labour markets and connectivity shows the limited access to skilled employment opportunities faced by many Northern graduates, compared to the millions of opportunities within the London and South East labour markets.

According to 2021 data, just 37.4% of the North's population are qualified to National Vocational Qualifications level four and above, compared to an average of 43.5% across England as a whole¹⁷. Employment growth may have been strong in recent years in the region, but many of these jobs are in relatively unproductive and low-wage sectors such as accommodation, food, service and hospitality along with parts of the care sector.

The North's economic strengths, as captured in the NPIER, are four prime and three enabling capabilities. These are highly productive and highly skilled sectors that with the right investment could deliver stronger growth and even higher productivity.



Figure 4.1: The prime and enabling capabilities of the North

Prime capabilities



Manufacturing

The North has strengths in advanced manufacturing, including through highly productive, automated and digital manufacturing techniques and processes. There is also a strong presence of automotive manufacturing in the North. These include expertise in textiles, research and design, and metallic and non-metallic production processes.



Energy

In 2022, the North generated more than half of England's total renewable electricity¹⁰⁵. The North's energy strengths include offshore wind, nuclear research and processing, new technologies, including biomass and hydrogen and electricity distribution. Developing new technologies for energy security, production, distribution and storage is also crucial.

Enabling capabilities



Financial and professional services

This sector provides key business, legal, insurance and financial services that support the North's prime capabilities and perform important day-to-day functions which keep the wider economy functioning.



Health Innovation

The North has a strong health innovation presence, with pioneering clinical research particularly in life sciences, cancer and ageing.



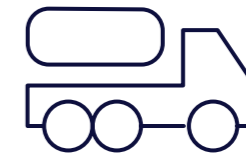
Digital

The North has strengths in cognitive computation, simulation/modelling, financial technology, cyber security, high performance computing, data analytics (big data) and media. Seven of the UK's 27 key tech clusters are in the North.¹⁰⁶



Education (primarily higher education)

Research capability and technical expertise that underpins the prime capabilities provides access to global education and research networks, provides a supply of skilled labour, and attracts overseas students who maximise education providers' income.



Logistics

Through significant private sector investment and innovation, airports, ports, and wider logistics are delivering more efficient Northern infrastructure. The North has existing capacity to relieve demand, drive economic growth and enhance the UK's international connections and trade links.

Figure 4.1 highlights the importance to the North's economy of its energy sector, particularly supporting green growth through green generation of energy, low carbon technologies and the development of carbon capture and storage solutions.

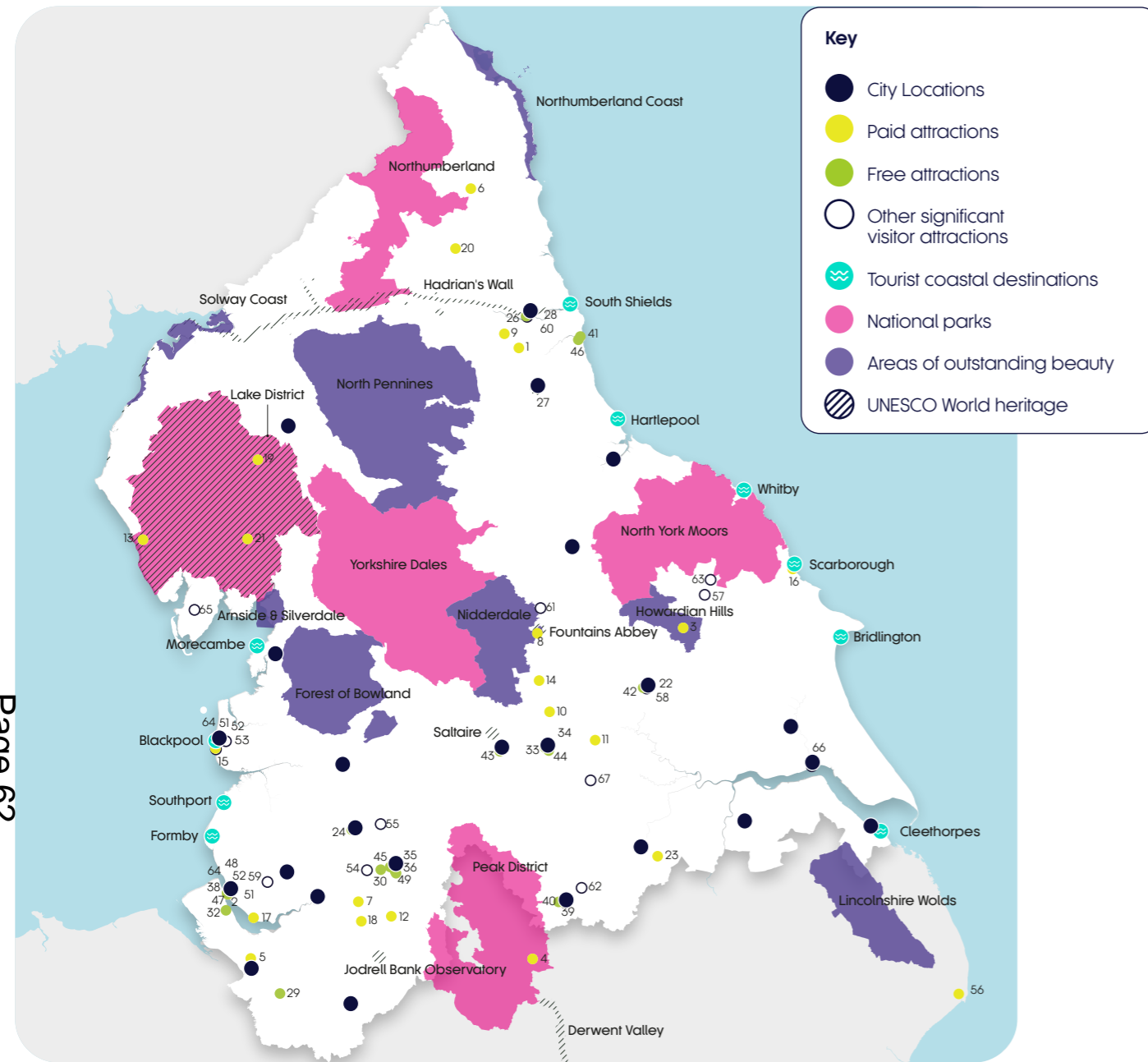
Research and innovation have been integral to the North's economic growth in recent decades. Over 20 universities across the North support research and innovation, as well as collaborate with public and private partners in areas like chemistry, materials, textiles, and process engineering¹⁸. The eight most research-intensive universities in the region collectively employ 119,000 people and attract £1.26bn to the North in annual research funding¹⁹. However, while the North has significant research capability, regional collaboration is only just emerging through hubs, as seen in other parts of the UK including the South East and Midlands, which could unlock further economic opportunities¹⁹.

International connectivity is a key driver for economic growth in the UK and for the North. In 2018, aviation contributed £22bn to the UK economy while air freight and its supporting businesses contributed £7.2bn²⁰. TfN's International Connectivity Report (February 2017) identified that international passenger connectivity contributed £5.5bn towards the North's GVA²¹. More recently, Visit Britain data from 2022 shows there were 4.2 million visits to the North by international visitors, generating expenditure of £2.5bn²². The North's seaports are also important for international freight connectivity, with further opportunities arising from the newly designated Freeports.

Alongside these prime and enabling capabilities, we have a range of cultural, historical, and natural assets across our diverse physical landscape. These not only enhance the quality of life for residents in the North, but means the region attracts high levels of visitors. The North's vibrant and varied visitor economy comprised approximately 39,000 businesses employing approximately 579,000 people in 2019, while also supporting additional businesses and jobs through the supply chain. It attracted 420 million visits in 2019, with visitor spend of £21.05bn, generating a total net GVA contribution to the North's economy of £12.33bn²³. There are other benefits too, such as improving the recognition and image of the North nationally and internationally, encouraging inward investment and facilitating improvements to local amenities, urban realm and transport links which benefit residents and businesses as well as visitors.



Figure 4.2: The North's main visitor economy assets



Source: Atkins and The Leisure Consultancy (2021) Visitor Economy and Transport in the North of England, available [here](#)

National Parks	Areas of Outstanding Natural Beauty	UNESCO World Heritage Sites
Lake District	Arnside and Silverdale	Derwent Valley Mills
North York Moors	Forest of Bowland	Durham Castle and Cathedral
Northumberland	Howardian Hills	Hadrian's Wall
Peak District	Nidderdale	Jodrell Bank Observatory
Yorkshire Dales	North Pennines	Liverpool – Maritime Mercantile City*
	Northumberland Coast	Saltaire
	Solway Coast	Studley Royal Park
		The English Lake District

* At the time of this study (January – July 2021), Liverpool – Maritime Mercantile City remained designated as a UNESCO World Heritage Site

The North's Visitor Economy Assets

Paid attractions (>200,000 visitors per year)		Free attractions (>200,000 visitors per year)		Other significant attractions, without published attendance figures	
Number on map	Attraction	Number on map	Attraction	Number on map	Attraction
1	Beamish - The Living Museum of the North	24	Bolton Museum, Aquarium and Archive	51	Blackpool Pleasure Beach
2	The Beatles Story	25	Customs and Excise National Museum	52	Blackpool Tower
3	Castle Howard	26	Discovery Museum	53	Blackpool Zoo
4	Chatsworth	27	Durham Cathedral	54	Chill Factor
5	Chester Zoo	28	Great North Museum: Hancock	55	East Lancashire Railway
6	Cragside House, Gardens and Estate	29	The Ice Cream Farm	56	Fantasy Island
7	Dunham Massey Hall	30	Imperial War Museum North	57	Flamingo Land
8	Fountains Abbey	31	International Slavery Museum	58	JORVIK Viking Centre
9	Gibside	32	Lady Lever Art Gallery	59	Knowsley Safari Park
10	Harewood House Trust	33	Leeds Art Gallery	60	Life Science Centre
11	Lotherton Hall & Gardens	34	Leeds City Museum	61	Lightwater Valley Theme Park
12	Quarry Bank Mill and Garden	35	Manchester Art Gallery	62	Magna Science Adventure Centre
13	Ravenglass and Eskdale Railway Co Ltd	36	Manchester Museum	63	North Yorkshire Moors Railway
14	RHS Garden Harlow Carr	37	Merseyside Maritime Museum	64	SEA LIFE Blackpool
15	Sandcastle Waterpark	38	Museum of Liverpool	65	South Lakes Safari Zoo
16	Scarborough Cliff Railway	39	Museums Sheffield: Millennium Gallery	66	The Deep
17	Speke Hall, Gardens & Estate	40	Museums Sheffield: Weston Park	67	Xscape
18	Tatton Park	41	National Glass Centre		
19	Ullswater Steamers	42	National Railway Museum		
20	Wallington House, Gardens & Estate	43	National Science and Media Museum		
21	Windermere Lake Cruises, Bowness	44	Royal Armouries Museum		
22	York Minister	45	Science and Industry Museum		
23	Yorkshire Wildlife Park	46	Sunderland Museum and Winter Gardens		
		47	Tate Liverpool		
		48	Walker Art Gallery		
		49	Whitworth Art Gallery		
		50	World Museum Liverpool		

Source: Visit Britain Annual Survey of Visits to Visitor Attractions, 2019; additional attractions identified by desktop research and stakeholder feedback

4.3 Economic and social constraints

As highlighted above (and detailed in the NPIER), the North's economic potential is enormous, and there are opportunities to leverage this potential to address social exclusion and decarbonisation challenges. However, the region is constrained by poor connectivity between its economic centres and many of its cities and towns are too small or isolated to fully take advantage of the positive externalities associated with agglomeration and market opportunities. Agglomeration enables firms to access a larger and deeper labour force, share inputs, access supply chains and infrastructure, and learn through the exchange of ideas and information. This matters for both city centre-based service sector businesses and in manufacturing clusters. However, if transport connectivity is poor, then these benefits cannot be realised, resulting in lower productivity.

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Lower productivity results in lower wages and living standards. The latest figures for 2021 show that Gross Disposable Household Income (total income following tax and redistribution measures) in the North was £18,297, or 82.4% of the average for England as a whole²⁴. The figure for the North East was over £600 lower, at £17,663.

This is exacerbated by:

- High levels of poor physical and mental health compared with the rest of England, which contribute to economic inactivity, unemployment, absenteeism among employees and lower productivity. This can form a vicious cycle, with poor economic outcomes also reinforcing poorer health outcomes.
- Entrenched socioeconomic and demographic inequalities linked to ethnicity, gender, disability, social class and age. These inequalities, associated with structural factors as well as to discrimination, constrain the ability of many in the North to access high quality education and employment opportunities.



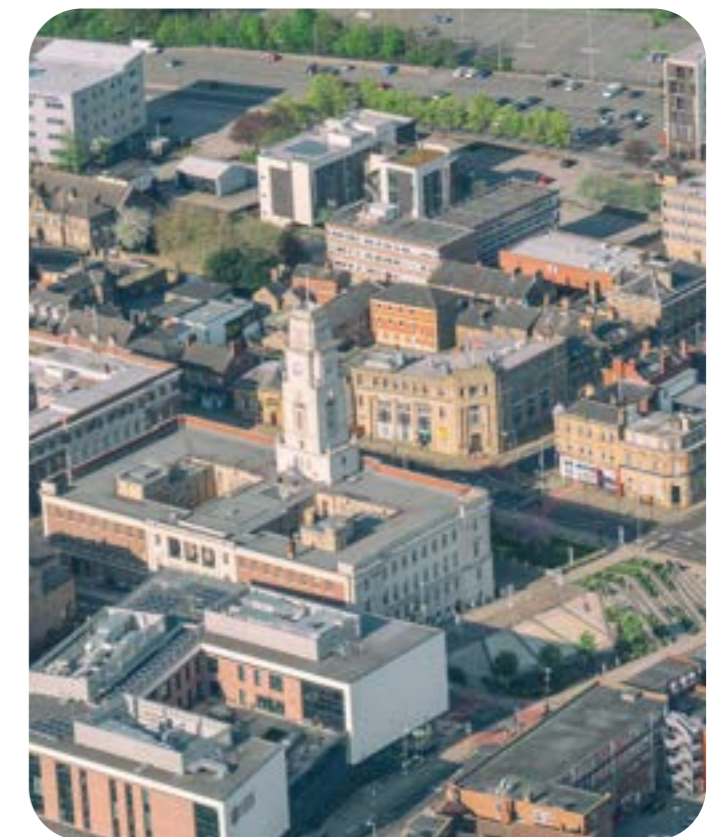
The North has an ageing population and some of the youngest cities in Europe. It has some of the most and least economically deprived neighbourhoods in England, and is home to some of the most ethnically and linguistically diverse towns and cities in the UK.

This diversity is a key strength of the North's societal landscape, but significant inequalities are also present. The 2019 English **Indices of Multiple Deprivation (IMD)** show that the North has significantly higher levels of multiple deprivation than the rest of England - 43% of areas are in the most deprived three deciles, compared with 25% of the rest of England²⁵. As detailed in section 4.2, underlying this are relatively worse outcomes in income, education and employment, the combination of which has accelerated post-industrial decline in many communities across the North.

The underperformance of the North's productivity is closely linked to the poorer outcomes across many indicators, including higher levels of poverty, lower skills, poorer health outcomes, life expectancy and low enterprise rates. Lower wage levels, as well as significantly lower physical, financial and pension wealth compared to the UK average, are holding back investment and spending of private households too, impacting communities and places across the region.

In parallel, the North's housing stock is amongst the oldest and least efficient in the UK. Poor energy efficiency and poor housing quality contribute to fuel poverty and greater prevalence of respiratory diseases, particularly for children and older people.

The combination of poor housing quality and deprivation in income and employment feeds into the high levels of health deprivation evident in the North. In the 2019 IMD, 54% of areas fell into the most deprived three deciles nationally on the measure of health deprivation, compared with 20% of areas in the rest of England. At a local authority level, 18 of the 20 most health deprived **local authority districts (LADs)** in England are in the North. This reflects the combination of lower overall life expectancy and healthy life expectancy, greater prevalence of poor mental health, and a greater overall burden of chronic and acute morbidity²⁵.



The health challenge present in the North, and the economic and social factors underlying it, are highly entrenched. Indeed, analysis of health inequalities since the 2010 Marmot Review highlighted that “inequalities in life expectancy have increased since 2010, especially for women”, that “there are growing regional inequalities in life expectancy”, and that preventable mortality remains the highest in the poorest areas of the country²⁶. These impacts are increasingly evident earlier in life, with chronic disease increasingly impacting younger people, forming a vicious cycle of health-related poverty and unemployment. Consistent with this, analysis by the Northern Health Science Alliance estimates that 30% of the productivity gap between the North and the rest of England is caused by poor health²⁷, and that poor health is a major contributor to the higher levels of economic inactivity evident in the North²⁸.

As well as a growing gap between the North and the rest of England, analysis of progress in the ten years following the Marmot Review highlighted growing inequalities within the North. The gap in life expectancy between the different sub-regions of the North has increased, with the most deprived areas of the North East further behind the most deprived areas of the North West and Yorkshire and the Humber in 2016-18 than they were in 2010-12²⁹. This is consistent with the broader patterns of inequality within the North, with the North East affected by higher levels of overall deprivation.

4.4 Connectivity constraints

Lifting the region’s economic and social performance is critical to unlock the North’s potential. The connectivity challenges in our current transport system must be addressed if we are to achieve our 2050 vision. Our centres of economic and social activity are fragmented by poor transport links, compounded by the physical geography which constrains the movement of people, goods and services around the North and to other parts of the UK. Businesses in the region are also held back by relatively poor inter-city and intra-city connectivity, which restricts access to a wider pool of skilled labour, the frequency and efficiency of business interactions, as well as the movement of goods and services within the North, across the rest of the UK and globally. Together, it prevents the region being a more cohesive functional economic area, which is essential to unlocking its economic potential.

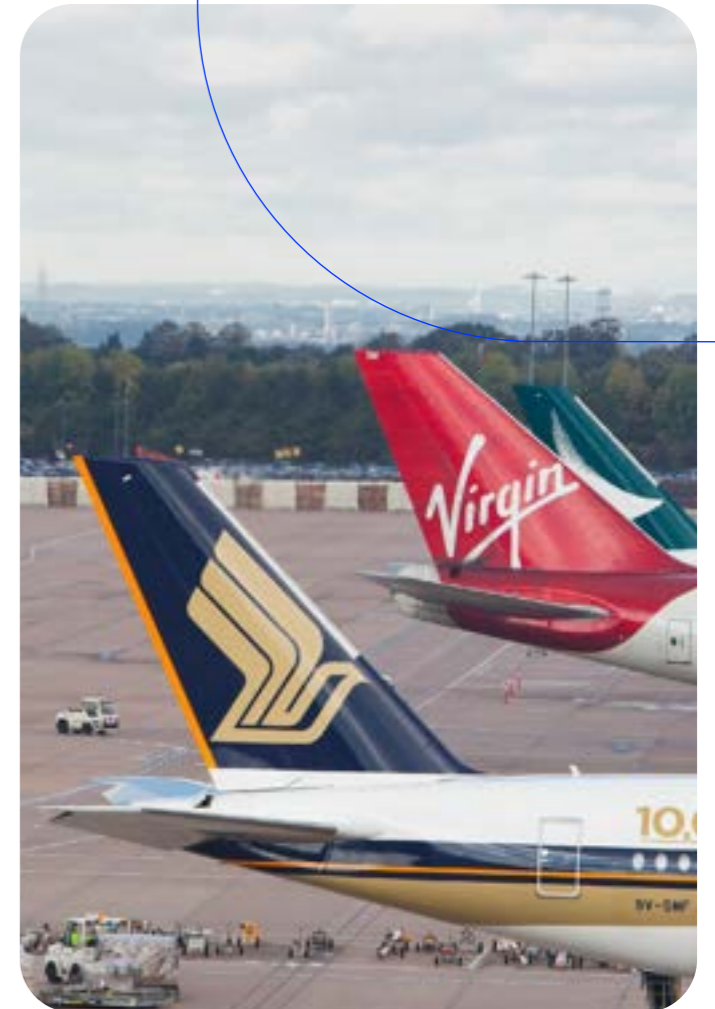


For example, only 27% of the North’s population can access 500,000 jobs in under an hour by rail - significantly less than other parts of the UK. Analysis of the current transport networks indicates a significant disconnect between the North’s major centres. For example, Washington in Tyne and Wear is currently the largest town in the UK without rail access. While 9.8 million (58%) of people in our region have access to at least one of the North’s five largest cities or Manchester Airport within an hour by rail, only 7% of people can access a second destination within that time³⁰. This reduces the labour pool available to Northern employers and limits opportunities for individuals, constraining productivity at a pan-regional level, and with wider consequences for social connections, education and the visitor economy.

There are also more specific connectivity constraints for the freight and logistics sector. Despite the availability of a wide range of freight assets, many are not being fully utilised due to several reasons such as lack of joined up infrastructure or attractive alternative logistics solutions. Gaps in connectivity prevail that urgently require investment.

Performance improvements are vital for freight. Great Britain depends on quick and efficient supply chains, and with the rail freight sector growing, we need to ensure that there is the capacity in place to meet that demand.

Increasing the amount of goods moved by our railways has important economic benefits, by reducing congestion on our roads, improving connectivity, and delivering cost, time and reliability benefits for freight customers. Increasing capacity and capability of the railways for freight will help accelerate modal shift of goods from road to rail; this will support a key part of the Government’s decarbonisation strategy.



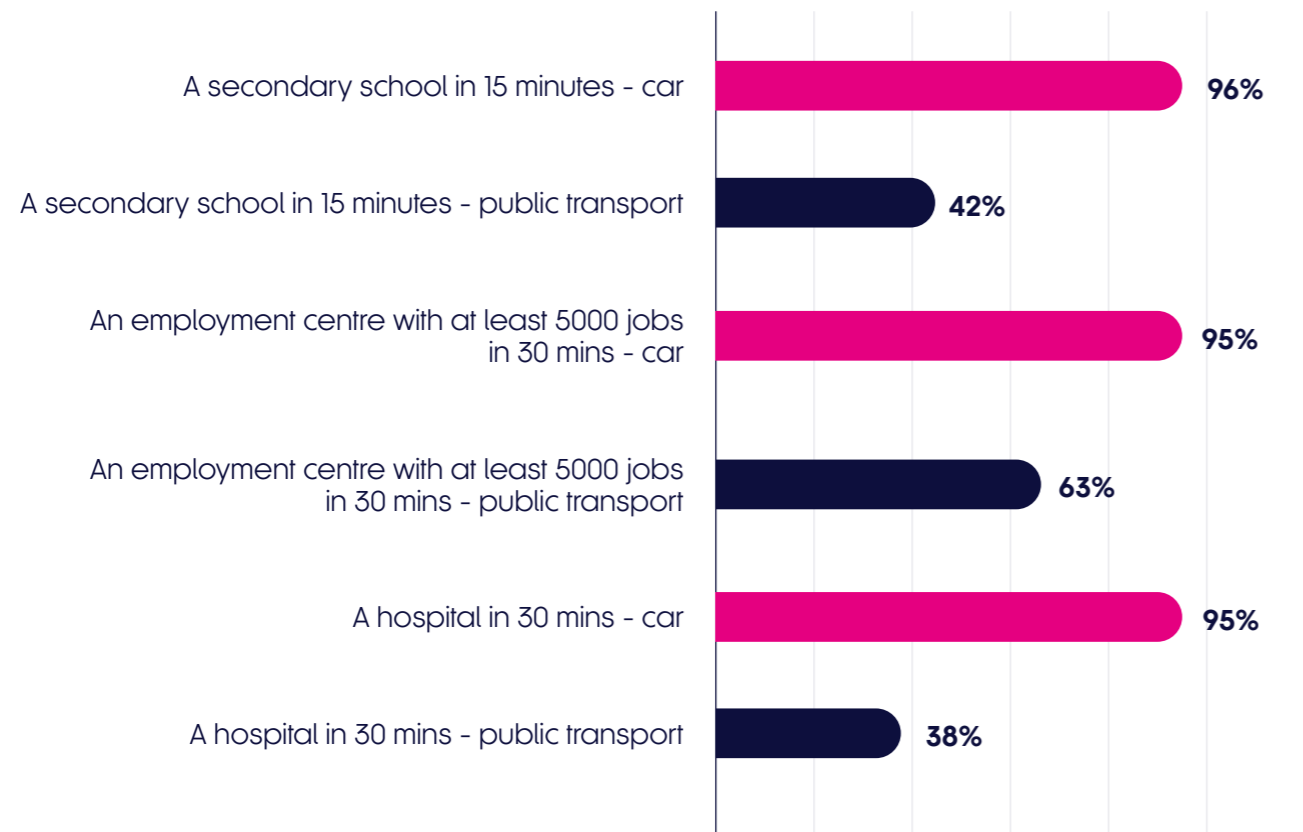
Additional infrastructure will be required to accommodate the extra services needed to cater for growth, to allow reliable operation, and to provide flexibility to the freight market to meet existing and future demand, thereby improving access to business opportunities across the North. Solutions will be required to resolve long-standing network issues which limit the use of rolling stock, constrain capacity, and prevent freight train operators from introducing new services for which there is demand.

Similar problems with connectivity are evident at a more local level. Only 63.3% of the North's population can access an employment centre (such as a town centre or industrial estate) with at least 5,000 jobs within 30 minutes by public transport, compared to 95.3% by car³². Inequalities in car ownership nationally compound this issue - with 40% of those in the lowest income quintile having no access to a car or van, compared with just 15% of those in the middle-income quintile³¹. This means that poor access to jobs by public transport disproportionately impacts those on lower incomes, constraining access to secure and high-quality opportunities, and

with this the chance for increased incomes and quality of life. Accessibility to healthcare and other key services is also often very poor: only 37.5% of the North's population can access a hospital within 30 minutes by public transport³². Given the well-established link between poor health, disability and poverty, and between poverty and car access, we can see that poor public transport acts as a significant constraint on access to healthcare among populations in need. It is essential that these key services are accessible through the region's public transport network, and that access should be by both sustainable and affordable means. The current accessibility gap reinforces car dependency and forced car ownership and constrains resilience and choice.



Figure 4.3: Access to services for the North's population



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4.5 How do people in the North travel now?

Alongside access to jobs and opportunities, the availability of travel options is a challenge in the North. Around 97% of all personal journeys are made using our roads, amounting to 88% of distance travelled, with 70% of all trips by car, bus and taxi equating to 126 billion vehicle kms per year⁷³. Additionally, over 90% of freight lifted by tonnage is moved by road with the remaining by rail and inland waterway (2016 base figures)³⁴.



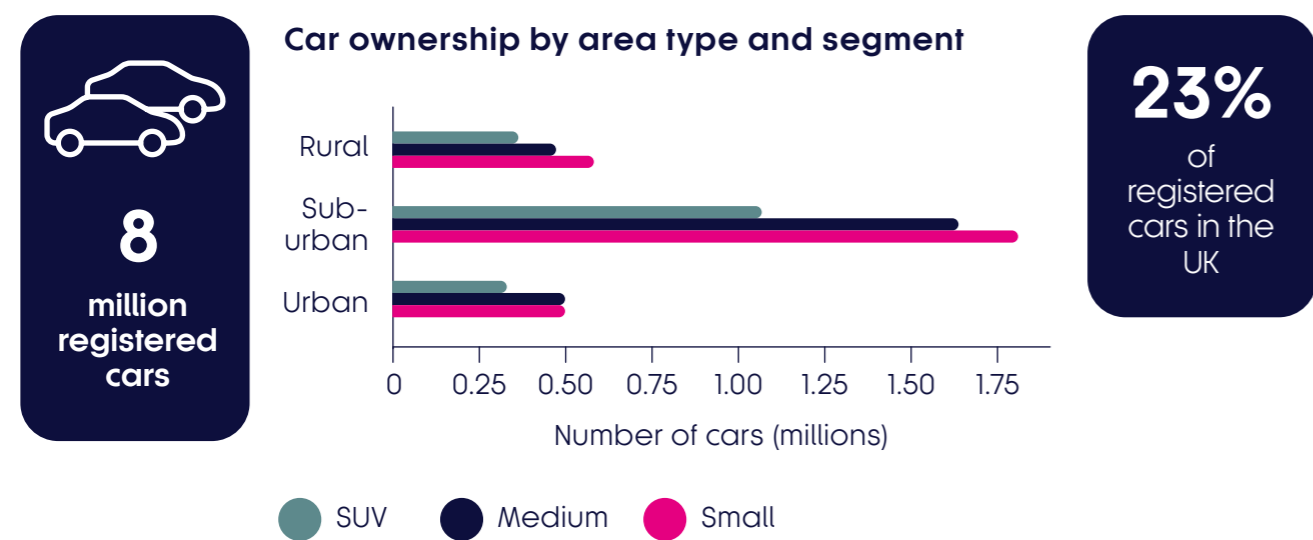
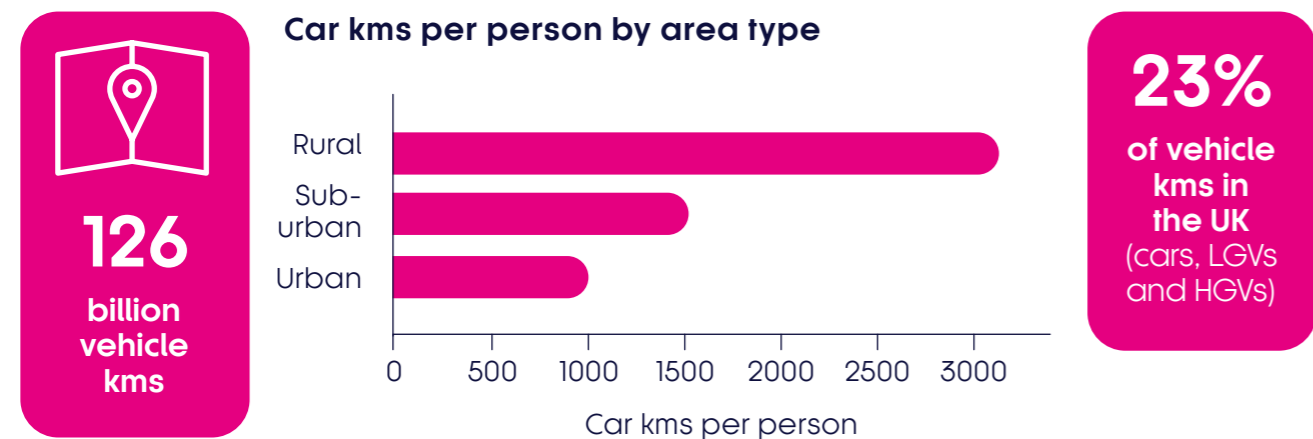
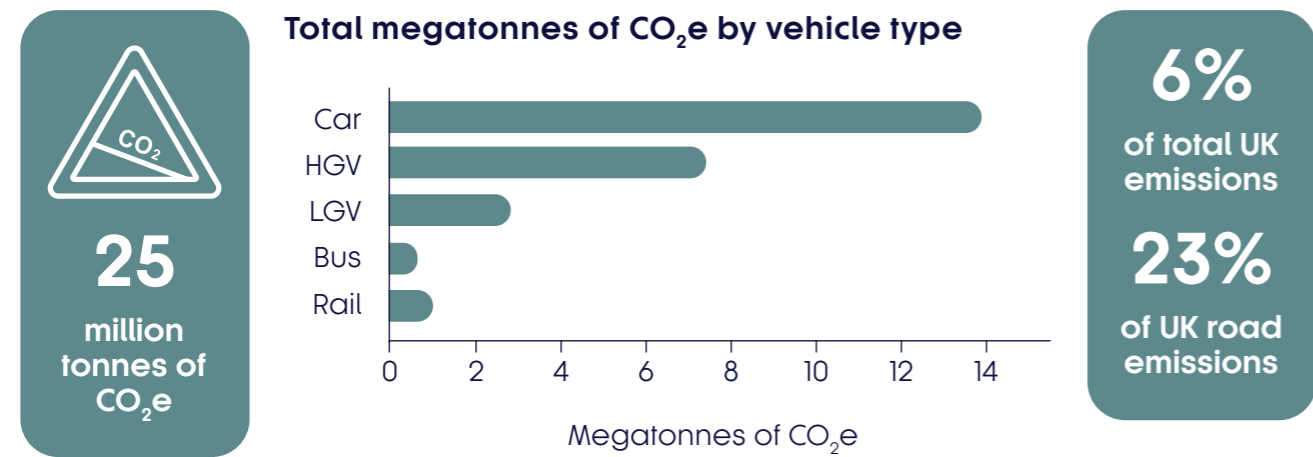
This over reliance on internal combustion engine vehicles, which is driven by a lack of reliable alternatives, has significant implications for carbon emissions. Cars, buses, vans and **heavy goods vehicles (HGVs)** within the North of England accounted for about 25 mega-tonnes (95%) of CO₂ emissions in 2018³³. Nearly one quarter of the UK's total emissions from road users fall within the North of England³³. Over half of our road emissions are generated by cars, with 28%, a relatively high proportion compared to the UK overall, generated by HGVs. Out of the 8 million registered cars in the North in 2018, nearly 25% were large cars or SUVs, generating typically higher emissions³³. Emissions from bus and rail represent just 5% of total emissions, which more closely reflects the national picture³³.

Around 97% of all personal journeys are made using our roads, amounting to 88% of distance travelled, with 70% of all trips by car, bus and taxi equating to 126 billion vehicle kms per year.

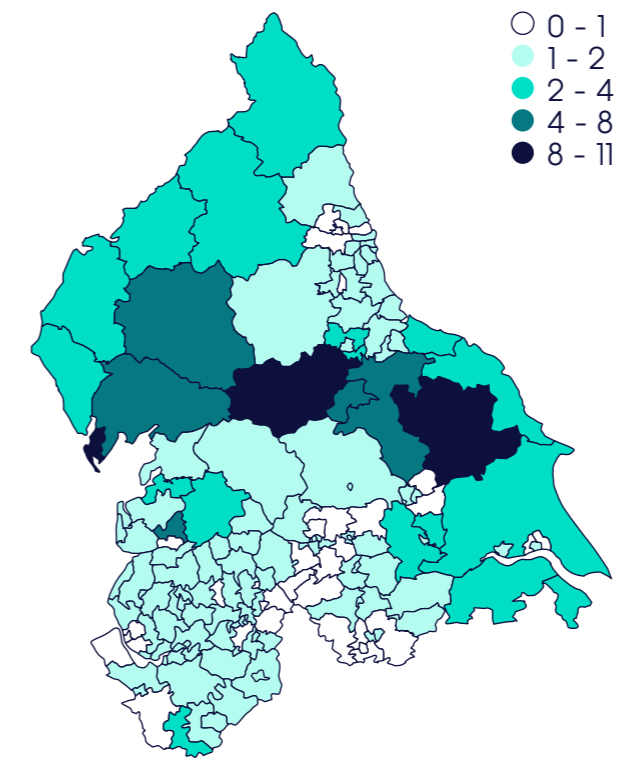
The development and deployment of low carbon technologies, such as electric vehicles and hydrogen fuel cells will significantly reduce emissions from road transport as the low and zero emission share of the vehicle fleet grows. Prior to and during this transition, however, substantial modal shift and management of road vehicle demand will be necessary to reduce emissions in the short to medium term, to stay within our carbon budgets.



Figure 4.4: Sources of surface transport emissions in the North in 2018³³



CO₂ Emissions (tonnes) per head of population



A significant proportion of our regional emissions emanates from car use, and there has been no evidence of modal shift away from car use over the last decade, as shown in Figure 4.5¹⁰⁷. In fact, the number of car trips taken per person increased slightly and the number of public transport trips taken per person decreased, driven by the decline in bus patronage³³.

Emissions Intensity (gCO₂/km)

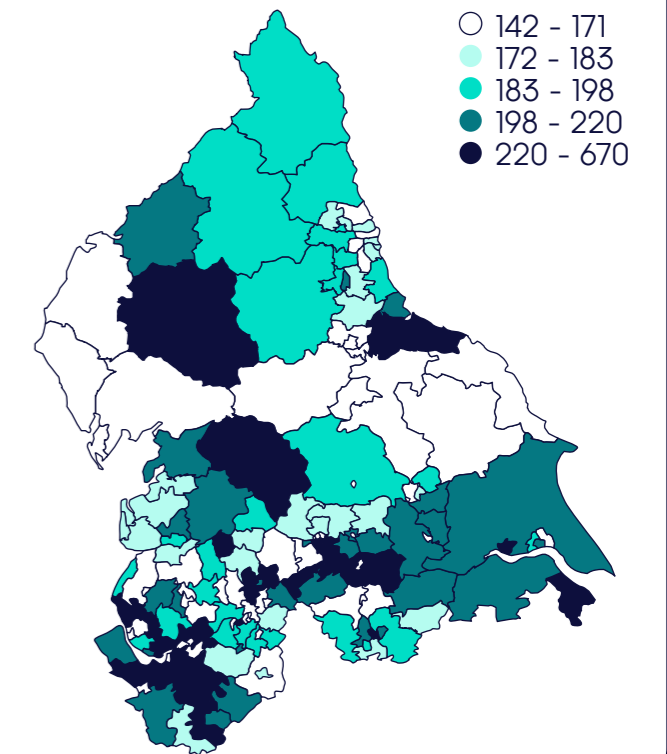
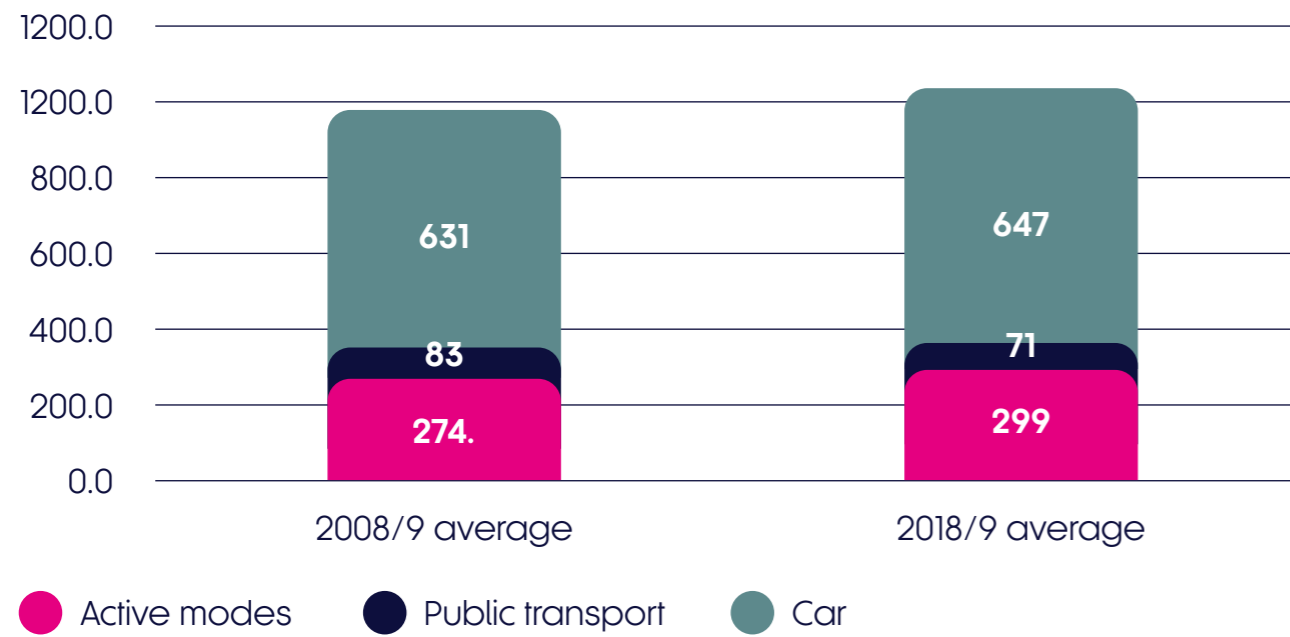


Figure 4.5: Average number of annual trips by modal category³³

Number of annual trips per person in the North



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Light rail has the ability to provide a cost-effective and sustainable part of a local integrated transport system in some urban areas. There are light rail networks in Blackpool, Greater Manchester, South Yorkshire and Tyne and Wear. Proposals for a mass transit network are under development in West Yorkshire. In total there are over 200 km of light rail lines in the North:

System	2019/20 (pre-covid) patronage (millions) ³⁵	Track length (km) ³⁵
Blackpool Tramway	4.8	18
Sheffield Supertram	10.5	34
Greater Manchester Metrolink	44.3	103
Tyne and Wear Metro	33.1	78
Total	33.1	233

For a new system, a minimum ridership of more than 3,000 passengers/hour/direction) is usually necessary to ensure cost effectiveness, and this will still be dependent on a number of other factors³⁶. Systems require a segregated alignment or to be heavily traffic prioritised. They can penetrate the centres of urban areas, which heavy rail does not.

Light rail can benefit all three of our strategic ambitions:



Economic Performance

Supporting growth in employment and economic activity in town and city centres in a way that minimises the negative impacts that growth in car traffic would bring, by facilitating redevelopment, regeneration and improved public realm. One study found that the Tyne and Wear Metro contributed around £290.6m to the GVA of the North East economy³⁷.



Decarbonisation

Supporting the transition to net zero carbon and contributing to cleaner air in cities. This is because light rail is one of the least polluting transport modes (and zero emissions at the point of use)³⁷. Manchester Metrolink is powered exclusively by renewable energy. A recent (2021) study found that the Phase 3 new routes removed 38.8m car km/year from the region's roads saving 6,700 tonnes of CO₂ per year³⁸. It is estimated that Sheffield Supertram helps to save over 2,000 tonnes of CO₂ per year³⁷.



Social Inclusion

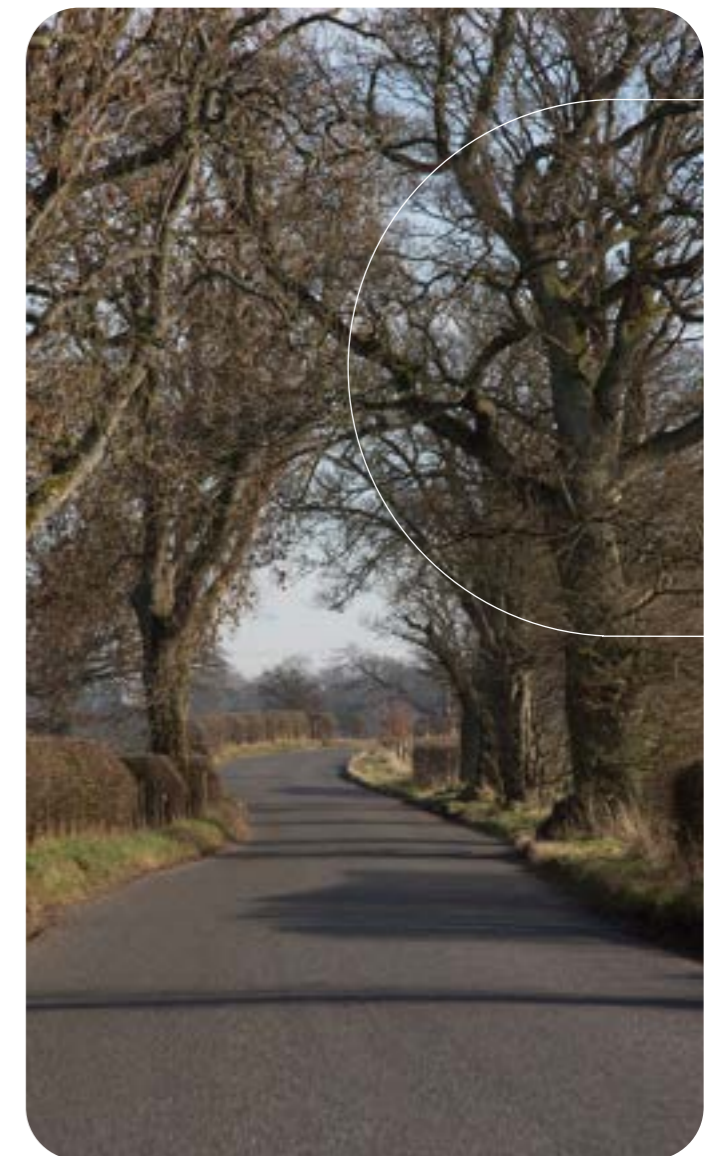
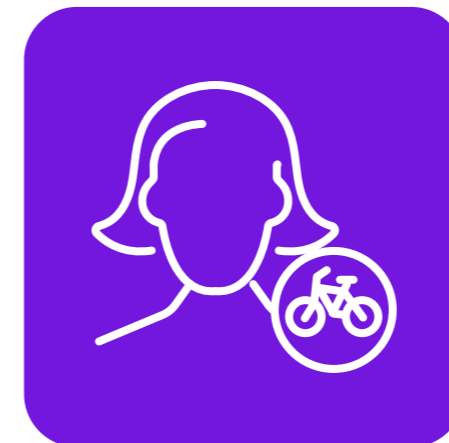
Contributing to the Government's levelling up agenda by providing better access to jobs, education and training. For example, in an Ipsos MORI study into the impact of a new Manchester Metrolink line on Wythenshawe, 84% of people said the tram contributed most to giving them access to a wider range of places with job opportunities³⁷. Additionally, 67% of Tyne and Wear Metro journeys pre-covid were made by people who did not have access to a car³⁷.

Air quality, health and wellbeing

There are a number of ways in which the transport system impacts the health and wellbeing of people in the North, which reaffirm why we need investment and change.

- **Air pollution:** Transport - particularly road transport - is a significant contributor to asthma, diabetes, lung cancer and dementia. Nitrogen dioxide and PM2.5 (a type of fine particulate matter) pollution is estimated to cause 1.14 million and 1.33 million additional cases of disease respectively across England between 2017 and 2035³⁹. Within the North, approximately 5.88 million people live in areas where nitrogen dioxide pollution poses an increased risk of early death⁴⁰. The Department for Environment, Food and Rural Affairs (DEFRA) estimates¹ from 2019 reveal that background nitrogen dioxide concentrations in the North, align with those areas with the highest vehicle mileage and emissions intensity⁴¹. The vast majority of AQMAs in the North (132 out of a total of 138) are in place because of nitrogen dioxide emissions from road transport⁴².
- **Incidents and safety:** Between 2017 and 2021, 2,041 people were killed and 28,519 were seriously injured in road traffic incidents in the North of England. Of those killed or seriously injured, 39% were drivers or passengers in cars, 24% were pedestrians, 18% motorcycle riders or passengers and 15% were cyclists. Together, this represents a significant burden of mortality and morbidity, with a disproportionate impact on those travelling actively. The most common cause of death among those walking, wheeling and cycling is collisions with cars, while nearly 40% of fatalities among car occupants and motorcycle riders are single vehicle incidents⁴³.
- **Access to healthcare:** Approximately 390,000 people in the North cannot access a GP surgery within 30 minutes by public transport and approximately 510,000 cannot access a hospital within an hour by public transport³². Poor access to healthcare can cause delays in seeking diagnosis and treatment, increases the level of missed healthcare appointments, and limits patient choice⁴⁴.
- **Noise pollution:** Noise pollution has a range of physiological and psychological impacts, and chronic exposure to noise pollution increases the risk of heart disease, high blood pressure and depression. These effects occur at a relatively low level of noise, with chronic exposure to traffic noise of only 55 decibels robustly linked with increased levels of coronary heart disease and hypertension⁴⁵. This is equivalent to the level of noise from normal conversation or background music. Modelling undertaken for TfN indicates that approximately 2.5 million people in the North are impacted by harmful levels of road traffic noise, the vast majority of whom are in large urban centres. Noise associated with rail is also likely to contribute to poor health, however the impacts are significantly smaller in scale and more diffuse across the North⁴⁶.

- **Physical inactivity:** Physical inactivity is among the largest contributors to mortality, and increases the risk of heart disease, diabetes, musculoskeletal conditions and cancer⁴⁷. The combination of poor-quality active travel infrastructure, car-focused urban design, road danger and high levels of car dependency is a significant limiting factor in levels of physical inactivity⁴⁸.
- **Maintaining independence:** Enabling independent travel is important to enable or maintain independent living. For an ageing population, living independently for improve health and well-being, thereby reducing demand on social and health care services.



4.6 Challenges of a changing climate

The **Intergovernmental Panel on Climate Change's (IPCC)** Sixth Assessment Report indicates that the Earth's average surface temperature is set to reach 1.5°C-1.6°C above pre-industrial levels by the early 2030s under all its modelling scenarios, and potentially up to 4.4°C by the end of the century under the highest emission scenarios⁴⁹.

Increased extreme rainfall events, storm surges and rising sea levels lead to impacts on transport infrastructure situated near rivers and along our coasts and estuaries, susceptible to direct flooding as well as ground movements caused by soil saturation and erosion. We have already experienced major transport disruption associated with these types of effects

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on our road and railway networks in recent years, particularly in Cumbria, North Yorkshire, Cheshire West and Chester, and the Yorkshire East Coast.

Equally, extreme weather events, on top of already higher average summer temperatures will see an increase in the number and severity of heatwaves, similar to that experienced across England in the summer of 2022. Increased thermal loading of highway bridges and surfacing can affect their operational structure, while extreme heat can lead to rail buckling and overhead power cable sagging on our rail network. Extreme temperatures could also affect maintenance schedules, with staff being unable to work outdoors.

The world is already seeing extreme weather and climate change cause large economic and societal disruption through impacts upon our built environment, natural resources, markets and supply chains. The IPCC warn of the danger of multiple climate hazards occurring simultaneously and interacting with non-climatic risks,

'cascading risks', compounding the overall effects, and making them increasingly difficult to manage. The latest UK **Climate Change Risk Assessment (CCRA3)** highlighted how such risks could affect our transport networks, for example by preventing repair of other critical infrastructure, or alternatively, failures in energy transmission cascading back into transport failures⁵⁰. Similarly, the Climate Change Committee's Independent Assessment of UK Climate Risk (2021), developed for CCRA3 starkly outlines the risk to transport infrastructure within England as a whole (Figure 4.6), with all identified risks urgently requiring increased levels of investigation and action to start reducing those risks⁵¹.



Figure 4.6: Assessment of risks to transport infrastructure from climate change⁵¹

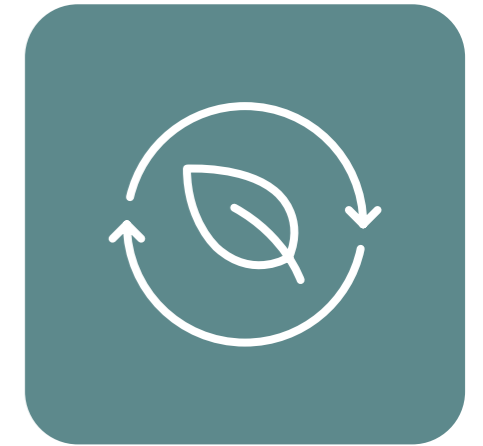
Risk or opportunity	England	Northern Ireland	Scotland	Wales
Risk to infrastructure networks (water, energy, transport, ICT) from cascading failures	●	●	●	●
Risks to infrastructure services from river, surface water and groundwater flooding	●	●	●	●
Risks to infrastructure services from coastal flooding and erosion	●	●	●	●
Risks to bridges and pipelines from flooding and erosion	●	●	●	●
Risks to transport networks from slope and embankment failure	●	●	●	●
Risks to subterranean and surface infrastructure from subsidence	●	●	●	●
Risks to transport from high and low temperatures, high winds, lightning	●	●	●	●

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The North has unique environmental and heritage assets. While these can pose some challenges for both the operation of the existing transport system and the development of new infrastructure, it also provides the opportunity for deploying robust nature-based solutions to combat the effects of climate change. Those same solutions can also have significant local economic, health and wellbeing and local nature recovery benefits.

Key:

- More action needed
- Further investigation required (as on the basis of available information, it is not known if more action is needed or not)



Local nature recovery and nature based solutions

The North's natural places are not only vital for our wildlife but also the health and wellbeing of our communities. They provide an opportunity to learn about nature, take part in sport and recreation, or simply relax. A fifth of the North's land area is covered by national parks, and the region has a large number of protected landscapes including six AONBs, as well as a large number of nationally and internationally designated habitats⁵². There are also a range of sites of nature conservation value designated at local authority and community level, including local nature reserves⁵³.

Although the North covers only a quarter of the total land area of England, it accounts for 70% of all wetland areas, 71% of all moor and heathland, 28% of all forests and 49% of all water courses (rivers and streams)⁵⁴.

The North's peat bogs (which comprise 92% of England's upland peat) help moderate our climate by storing vast amounts of greenhouse gases⁵⁵. Those same bogs, along with our forests, wetlands and green spaces, play a vital role in improving our resilience against the worst effects of climate change by attenuating flood waters, providing soil stability and shade.

Therefore, it is unsurprising that, alongside the global climate crisis - and critically interlinked with it - there is a global ecological crisis. The North of England is no exception to this global phenomenon and the Environment Act 2021 gives it greater policy focus. The level of environmental protection enshrined within the Act is relevant to our transport system. It sets a requirement for achieving biodiversity net gain when developing new transport infrastructure, and the need to utilise existing practices and transport estate to help build a nature recovery network across the country.

Regional initiatives such as Nature North⁵⁶, the Northern Forest⁵⁷, Great North Bog⁵⁵, and Wild Ingleborough⁵⁸ are already creating new green jobs, enhancing our resilience to climate change, improving the quality of our water, supporting our wildlife and the mental and physical wellbeing of our communities. A step change is now needed in the way we utilise and maintain the significant amount of green and blue infrastructure within the transport estate, with the aim of not just mitigating harm, but also boosting our region's natural capital and creating linkages between our partners' local nature recovery areas.

Change is also required to ensure greater levels of access to nature for all, across the North, and to reduce inequalities in access to nature. The same decline and fragmentation of local bus services in rural areas and urban fringes that is a key cause of transport-related social exclusion is also relevant to access to national parks and other green spaces. Income inequalities linked to car ownership mean that these declines have particularly impacted access to nature for those on low incomes, further reinforcing health and wellbeing inequalities linked to income.



5.

Our strategy for the North's transport system

Unlocking the economic, social, and environmental opportunities requires a sustainable, inter-connected transport system. The North's transport system today is characterised in too many instances by poor reliability and low frequency of public transport services, severe congestion, unreliable journey times on key parts of the strategic and major road networks, and poor conditions for active travel in car-dominated environments.

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5.1 Our strategy for rail

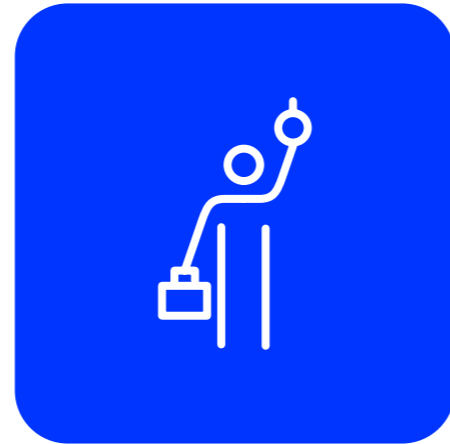
Prior to the covid-19 pandemic, the rail network in the North accommodated more than 200 million rail trips per annum, accounting for 1.1% of all trips in the North, and around 7.4% by distance travelled, illustrating the importance of rail to longer distance travel.⁵⁹ Rail is also particularly important for access to and between towns, cities and economic centres, and has a higher mode share in those places. For example, Greater Manchester's City Centre Transport Strategy to 2040 shows that 28% of all trips made into Central Manchester in the morning peak pre-covid were made by rail (many of which originated in the city region). In the 20 years before the pandemic, the number of rail passengers travelling entirely within the North has grown at a rate of 5% per year (higher than the national growth rate of 3.4%), with the number of passengers increasing almost three-fold in this time⁵⁹.

Rail should be the fastest, most reliable and most sustainable option for many inter-urban journeys to carry significant numbers of people directly into city centres and economic clusters, and over longer distances. Rail is often the mode of choice for higher-skilled workers, who make seven times as many long-distance rail trips than other occupations, and younger people (some of whom travel double the distance by rail compared to any other group)⁶⁰. It is also important for accessing social, employment and education opportunities, as well as many key destinations across the North which drive the visitor economy. We need to work towards a seven day railway that better reflects people's needs and the change in travel patterns post-covid (see our Strategic Rail Report).

Rail demand has recovered strongly in the North with capacity constraints and overcrowding already returning to many services⁶¹. The composition and timing of rail journeys in the North has changed too, with fewer commuters and greater off-peak and leisure travel⁶². The consequences of this change include a reduction in demand during the traditional morning and late afternoon peaks, and an increase in the relative importance of weekend rail travel, rising from 16% of the total in 2019 to 21% in 2022⁶³. Office based rail commuter travel has shifted towards Tuesdays to Thursdays, reflecting the increase in hybrid flexible working⁶⁴. Whereas commuting to other forms of employment has recovered more strongly. Prior to the pandemic the North's railway was struggling to cope with peak demand, and we are beginning to approach this level of usage again. Without investment, the network does not have capacity to accommodate growth, and thus cannot play its full part in contributing to decarbonisation.

The rail network in the North needs investment to address both underperformance and lack of capacity. Turning around current indicators for train frequency, rail journey times, performance and physical accessibility at stations across the North would open up the pathway to meeting our economic, social and environmental ambitions.

Capacity constraints limit the potential for more frequent services, and reduce the viability of new services to areas not currently served. They also affect the resilience and reliability of existing services, particularly on crucial East-West links and at critical station hubs. On both the East and West Coast Main Lines, without additional investment in improving capacity, there is limited scope for growth in passenger or freight services.



Connectivity between the North's major population centres, in terms of passenger service frequencies, direct linkages and journey times is regularly very poor. This extends the perceived distance between centres and acts as a barrier to travel⁶⁵. Services in the North are often hourly in less populated areas and usually compromise a two or three car train. Meanwhile, only four in ten of stations in the North are served by at least two trains per hour in each direction⁶⁶.

Performance (defined by the proportion of trains arriving on time) has been historically poor and has now declined to unacceptable levels which has led to wider economic consequences for the North. In the three months from April to June 2022, those **Train Operating Companies (TOCs)** which operate in the North were almost uniformly performing worse than those which do not, Merseyrail being the exception⁶⁷. Delays, cancellations, overcrowding and poor on-board facilities add to the challenges faced by passengers.

Poor performance is a deterrent to rail use (for both existing rail users and potential users) and could cause modal shift away from rail that may be hard to recover, thereby compromising rail's ability to support growth in the North. Rail station accessibility is also a concern for passengers and a constraint on growth. Data published by Northern indicates that in 2020, of the 540 stations at which their services call, 60 had no step-free access to any platform, and a further 307 had only partial step-free access⁶⁸. TfN's own assessment of 600 stations' facilities concluded that⁶⁹:

- Only 288 (48%) had adequate step-free access to all areas, and the proportion of fully accessible stations is lower still
- 77 (13%) have level access by ramps and lifts to all areas
- 225 (38%) have physically accessible waiting shelters
- 521 (87%) have a fully adequate level of lighting
- 497 (83%) have customer information systems showing departing trains (needed by customers with hearing impairments)
- 463 (77%) have a public address system (needed by customers with visual impairments)

Accessibility is also a significant deterrent for non-users, with investment required to make the North's railway network fully inclusive. Network Rail's Access for All is a DfT-funded programme aiming to provide an obstacle free and accessible route onto and between train station platforms, but at its present rate will take many decades to bring the North's stations to an acceptable standard⁷⁰. With further funding there is an opportunity to make faster progress.

Preparing for potential doubling or even tripling of rail travel between now and 2050 means increasing rail's share of freight, as well as improving passenger services. As set out in the case for change, rail freight and logistics are key to the North's economy and to decarbonising transport. The strategic outcomes required for our freight network to meet our ambition to treble rail's share of freight carried to 25.5% by 2050 are further detailed in section 5.3 on Freight and International Connectivity.

Our strategic priorities

The North requires a fit-for-purpose rail network with strong North-South and East-West connections. This would act as the backbone of a high-quality, reliable, resilient, and equitable passenger network, capable of supporting the future growth of rail patronage, and with the capacity and capability to adapt to modern freight requirements. That means:

- **Better connectivity:** Including frequency and journey time improvements, combined with better integration of different rail services and between rail and other transport modes, which bring the North's economic assets and neighbouring regions closer together.
- **More capacity:** A 7-day railway providing the required services and capacity to meet existing and future passenger requirements, recognising the demand shift in use for leisure, as well as freight demand.
- **Improved customer experience:** A passenger network that is easy to navigate, accessible and predictable, with consistent and integrated fares and information available before and throughout journeys. The current complex fare system is hard for users to understand.
- **Greater opportunity for freight:** A network with improved reliability and punctuality, and the capacity, capability and flexibility to meet the fast-paced changing needs of the industry. This includes supporting development of appropriate freight terminals, encouraging safeguarding of sites and understanding exactly what the rail freight market wants to support a switch from road to rail and reduce first and last mile costs.
- **Supportive of communities:** A railway that delivers upon the social fabric needs of the communities it serves, providing integrated and seamless journey opportunities, reducing TRSE and enhancing public realm to create dynamic and attractive places, building on the valuable work already done by the North's community rail partnerships.
- **Cost-effectiveness:** An equitable, inclusive and affordable railway for all stakeholders, maintaining and enhancing the North's railway without compromising the quality of the service.
- **Integrated:** Our rail network must be seamlessly integrated into our region's wider public transport and active travel networks, facilitating sustainable multimodal door-to-door journeys. We also want integration of fares and ticketing, as well as timetabling, with multimodal hubs providing a crucial role in enabling connectivity.

→ **Sustainable:** Equally important is enhancing rail's wider role in society and reflecting our global responsibilities, including the reduction of greenhouse gas emissions, the transition to sustainable energy sources and reducing the pollution caused by transport activities. Rail produces significantly less emissions than car travel, producing around 28% of the emissions of a petrol or diesel car for a single traveller, and lower if electric trains are used⁷¹. A single freight train can remove up to 129 construction HGVs or 76 petroleum HGVs, and can be an alternative to road for many types of freight traffic, thereby contributing to decarbonisation⁷². Electrification is crucial to maximise rail's contribution to lowering emissions from both freight and passenger traffic. Electrification will also lead to a more reliable and resilient railway.

→ **Accessible:** TfN has developed minimum and desirable standards for station facilities as part of the Northern England Station Enhancements Programme. This includes requirements for multimodal and integrated access to stations as gateways such as bus interchanges, walking and cycling routes, cycle and car parking and taxi ranks. Our ambition is to make all stations accessible and in line with our required standards by 2050.

To achieve the changes required, three major programmes need to be delivered:

- **TransPennine Route Upgrade (TRU)**, being delivered now, will deliver faster, greener, and more reliable journeys, enhance passenger experience, capacity and accessibility, and crucially, unlock pan-Northern freight enabling intermodal container trains to cross the Pennines more efficiently, significantly reducing journey times and costs.
- **Northern Powerhouse Rail (NPR)** in full, ensures that the major cities of the North are connected to each other, and to Manchester Airport with fast frequent services through a combination of new lines and significant upgrades.
- **Solutions that deliver the same levels of connectivity and capacity** that would have come from **High Speed 2 (HS2)** to link key economic centres inside and outside the North for both passengers and freight.

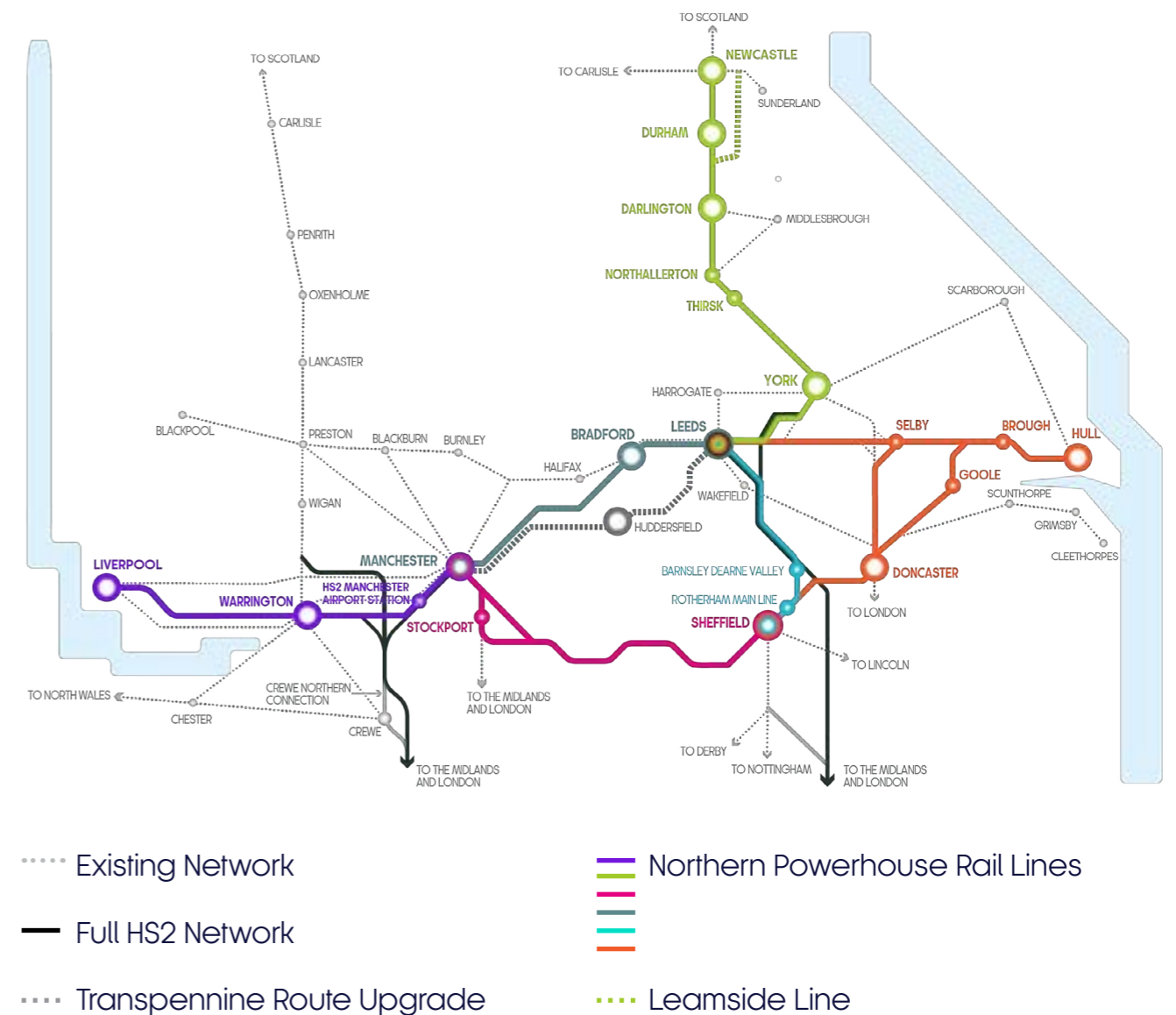
Together these network transformations are fundamental to delivering our vision of a thriving North of England, where world class transport supports sustainable economic growth, facilitating the connections between key economic centres, and creating the interconnected labour markets required to fully develop the North's most productive sectors, opening up access to new opportunities for millions and creating a viable alternative to private transport for longer distance journeys.

The TfN preferred NPR network was developed in response to the evidence base and was the vision agreed by the TfN Board. It comprises:

- A new line to be constructed from Liverpool to Manchester via the centre of Warrington and Manchester Airport, and proper consideration of alternatives for Manchester Piccadilly station underground options.
- A new line to be constructed between Manchester and Leeds via the centre of Bradford.
- Significant upgrades and journey time improvements to the Hope Valley route between Manchester and Sheffield.
- A combination of new lines (including a new station at Leeds), significant upgrades, and new stations at Rotherham and Barnsley Dearne Valley, to improve the network between Sheffield and Leeds.
- Significant upgrades and electrification of the rail lines from Leeds and Sheffield to Hull.
- Significant upgrades of the **East Coast Main Line (ECML)** from Leeds to Newcastle (via York and Darlington) and restoration of the Leamside Line (providing an alternative route from the ECML south of Durham into Newcastle).



Figure 5.1: Northern Powerhouse Rail: TfN Preferred Network



The delivery of the full (TfN preferred) NPR network and TransPennine Route Upgrade are fundamental to transforming rail connectivity and capacity across the North of England.

The evidence underpinning this STP also shows that proposals are needed to address other connectivity and capacity constraints between key economic centres for both passengers and freight to unlock the economic potential of the North. The levels of connectivity and capacity that would have been delivered by HS2 phases 2a and 2b (East and Western legs) would have helped achieve this. So there remains a need to identify solutions that will deliver similar levels of connectivity and capacity.

Specifically, there remains a need to:

- Create alternative connectivity and capacity for the West Coast to enable more frequent North-South passenger services (to enhance Union connectivity), enable greater use of rail freight and improve reliability and resilience of all services.
- Address capacity constraints on the ECML (including consideration of the role of the Leamside Line) to improve connectivity and enhance Union connectivity).
- Alternative options to catalyse the economic potential of Crewe and its immediate area.
- Remove existing constraints (such as those around Chester station) to improve the North Wales Main Line.
- Resolve long-standing 'bottlenecks' through the Castlefield and Stockport corridors, to improve reliability, resilience and frequency (passenger and freight).
- Address capacity and access constraints, to realise the full benefits of NPR and TRU, at Manchester Piccadilly and Sheffield stations, and improve access to Manchester Airport.
- Achieve a step-change in the capacity layout at Leeds station to resolve the limits on current infrastructure to meet passenger demand now and in future.
- Undertake the required work for alternative options to the Golborne Link to provide essential connectivity and capacity to/from the West Coast Main Line.

Until there are alternative proposals, the safeguarding associated with HS2 should remain in place and only be lifted where there is agreement with the relevant local transport authorities. A clear pipeline of network interventions is required to realise our ambitions for rail across the North. Alongside the major schemes, there is urgent need for investment in improving capacity, reliability and resilience (including the need for electrification of passenger and freight services) as part of a rolling programme of work through the next decade. There are also smaller scale schemes that will support local connectivity and performance. This investment pipeline needs to include the schemes that will flow from the Integrated Rail Plan, and the delivery of major schemes currently in hand, such as TRU and also Midland Main Line electrification to Sheffield, which is another important priority for the North.

TfN will work with its partners to develop this pipeline, ensuring that it is supported by evidence, and continue to champion the case to industry partners and DfT. This must be informed with a shared understanding of how rail passenger and freight services will evolve in coming years, ideally with a 'single version of the truth', as well as to improve the accessibility, connectivity and user experience at our region's stations. TfN will support the industry in developing this, including through use of our extensive evidence base and continuing to act as broker for partners' priorities where necessary.

TfN – through the Rail North Agreement – will also work to ensure that the strategic outcomes in this plan are reflected in the business plans of operators.

Rail reform offers an opportunity to build on existing devolution arrangements in the North provided by this Agreement, including the role of Regional Business Units that increase the voice of partners within city-regions. We will continue to advocate strongly for 'double devolution' with decisions made at City Region or other local area level where appropriate.

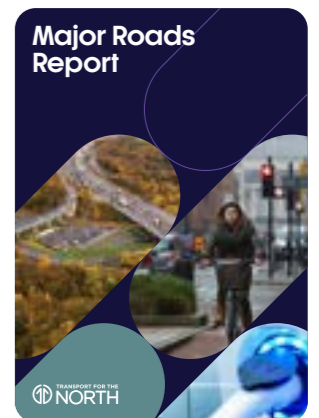
5.2 Investing in our road network

As set out in our Major Roads Report, our highways and roads are at the heart of our communities, made up of a combination of footways, cycle ways and roads, enabling our residents and businesses to go about their daily lives⁷³.

Every journey involves a highway at some point, and to meet our ambitions highway investment needs to appropriately balance the needs of 'place' and movement. We know the quality of place is critical, particularly for local streets and where major roads run through cities, towns and villages.

Our highways are fundamental to the movement of people and freight - and will continue to be so and therefore should be reliable, resilient, safe and conducive to movement by all travel modes. Meaning improved facilities for pedestrians, cyclists, and public transport are equally important as for the movement of cars, van and lorries.

More than two thirds of all distance driven takes place on just 7% of our roads⁷³. These are the motorways, and major 'A' roads connecting cities, towns and other important economic centres within our region and across the United Kingdom. The SRN, operated by National Highways, makes up approximately 2% of these roads, with the remainder comprising 'A' roads managed by local authorities⁷³.



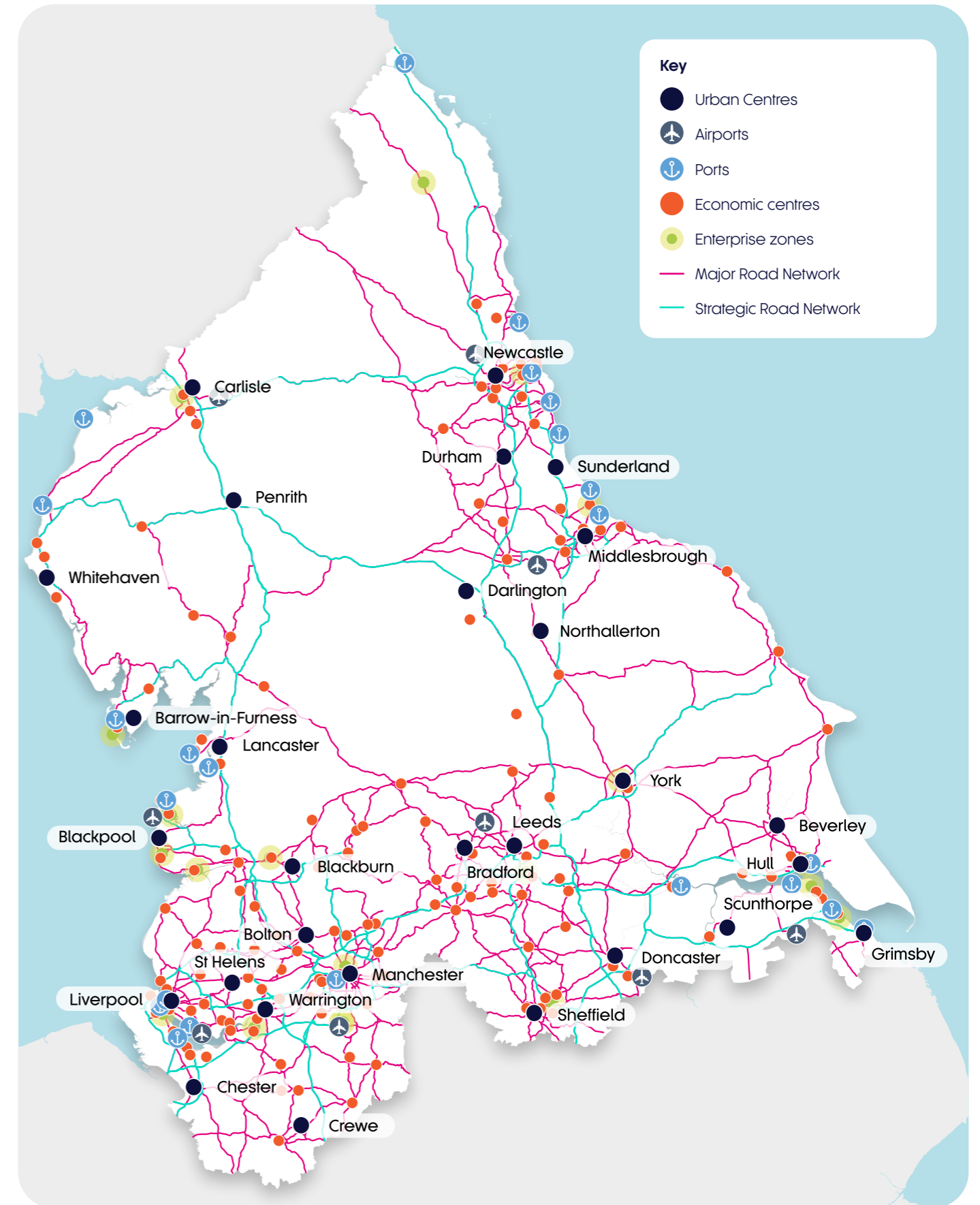
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On the road network, traffic growth and reliance on a few key strategic routes is placing increasing strain on journey time reliability, particularly on sections of the M1, A1, A19, M62, M60 and M6. However, there are hotspots with poor journey time reliability across the network, with impacts on freight, travel to work and the visitor and leisure economy. Around a third of the North's roads experienced poor journey time reliability for at least one hour during weekday peak times (34.8% for weekday morning peak and 33.8% for weekday evening peak)⁷⁴. With 83% of sections of the network experiencing poor journey time reliability for at least one hour at the weekend⁷⁴. This has knock-on impacts for all users, including freight traffic and on bus users due to its impact on the reliability of bus services⁷⁵.

Poor road connectivity is also an issue in some areas of the North, for example, even outside of peak times communities in West Cumbria, parts of East Lancashire and East Yorkshire suffer from relatively slow and unreliable transport connections to the core road and rail networks.

Latest traffic flows are now at around 97% of pre-pandemic levels, with HGV and light goods vehicles (LGV) freight flows now at around 108% of 2019 levels⁷⁶. The pandemic accelerated the existing growth in road freight traffic, with much of this attributed to the increasing number of **National Distribution Centres (NDC)** and **Regional Distribution Centres (RDC)** in line with the increase in online retailing and the move towards next-day delivery of a wide variety of goods.

Figure 5.2: Map of the North's Major Roads



Wider challenges for the major road network include:

- The **urgent requirement to decarbonise our transport system**, with road transport responsible for the vast majority of transport related carbon emissions. In 2018, cars were responsible for 14.46 megatonnes (Mt) of CO₂ equivalent greenhouse gas emissions in the North, HGVs 7.21 Mt and LGVs 2.71 Mt, compared to just 0.63 Mt for bus and 0.77 for rail³³. Planning for future road investment, including the approach to business case appraisal, must be aligned with policy commitments to achieve close to net zero carbon emissions and based on evidence such as used for the DfT's Transport Decarbonisation Strategy and TfN's Decarbonisation Strategy.
- The **need to improve safety, reliability and resilience for all travel modes** using the MRN and wider road network. The cost of road traffic on the UK economy has been estimated at 1.6% of GDP or £31.9bn per year, including through increased collision risk, noise, local air pollution, trip suppression and reduced accessibility⁷⁷. In 2022, 2,871 car occupants, 897 cyclists and 1,661 pedestrians were killed or seriously injured on the North's Road network⁷⁸. These harms fall disproportionately on vulnerable road users - particularly those travelling actively - and in the vast majority of cases involved collisions between or with vehicles.
- The UK is seeing a **growing number of electric vehicles (EVs) on the road**, with EV's accounting for more than one in four new car registrations in August 2022⁸⁰. However, both the pace of transition to EV and availability of charging infrastructure is lagging other parts of the UK. Current data indicates the North has an average of 49 installed public charging devices per 100,000 of population, well below the UK average of 66 devices per 100,000 population⁷⁹. Our assessment is that 162,000 charging points will be required by 2030 and 177,000 by 2050⁸⁰.
- The **importance of maintaining and renewing existing highway assets**, ensuring our roads are safe and resilient, in particular adapting to the impacts of climate change which will be essential in mitigating for increased frequency and severity of severe weather events. The Environment Agency estimated the UK-cost of the 2015-16 floods alone as £121m for rail and £220m for road⁸¹ and National Highways highlights the need to prepare for increased risks of erosion, floods, embankment failure and temperature damage⁸².

To achieve our 2050 vision, we need the MRN to act as a seamless network of roads, enabling safe, reliable and resilient multimodal journeys. We want better outcomes for communities living alongside major roads, biodiversity gains, and faster action towards achieving a fair transition to near net zero for transport. That means:

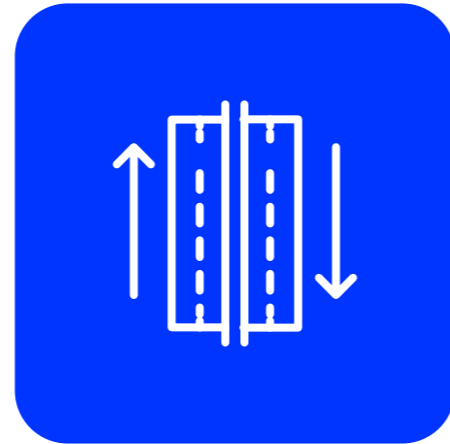
- **Enabling sustainable growth** in key employment and housing growth sites. Supporting agglomeration economies by providing rapid and reliable journeys to bring people and businesses closer together. This includes delivering a more integrated network supporting safe and efficient travel between the SRN, the wider network of major local roads and local transport networks, including public transport options such as park and ride.

- **Enabling efficient journeys** across multiple transport modes, contributing to improving access to opportunities for all citizens of the North. Our strategy recognises that in-car and wider technologies offer huge opportunities for improving the customer experience, for better integration across transport networks and for more efficient and effective management of our transport system.
- **Encouraging and facilitating mode shift** to sustainable modes, reducing traffic flows, relieving congestion and reducing car dependency to unlock social benefits. This could include increasing provision for and giving priority to pedestrians, cyclists and public transport to encourage more sustainable travel behaviours, as well as supporting mode shift to rail freight.
- **Enabling international connectivity** through providing good access to airports, ports and associated economic clusters.
- **Being resilient and adaptive** to mitigate for severe weather events, improving network resilience. This will require substantial increases in maintenance funding, to deal with a significant road maintenance backlog, particularly on local authority managed roads, and to implement new adaptations to climate change impacts.
- **Delivering substantial improvements in safety** for all travel modes using the network. TfN commits to a vision for zero deaths and serious injuries on the major and SRN in the North by 2040, and to reducing the disproportionate impacts of road danger on older and younger people, people with disabilities and people living in deprived communities. Prioritising improvements in road safety, particularly in severely congested and rural areas, will be key for increasing active travel uptake.
- **Enabling the rapid transition from internal combustion engines** to low and zero emission vehicles. The North's road and energy networks are critical key enablers in meeting our near zero carbon transport targets. The growth of clean energy opportunities in the North will contribute to increasing efficiency, reliability and resilience of the road network. Consequently, we will support the decarbonisation of road transport by providing intelligence and supporting collaboration towards the roll-out of **electric vehicle charging infrastructure (EVCI)**.
- **Delivering net gains in biodiversity, improving air quality, lessening noise impacts and reducing severance effects** of heavily trafficked major roads, recognising that the transition from internal combustion engine to low and zero emission vehicles, alongside other improvements will also contribute to inclusivity, health and access to opportunities through improved air quality, physical health and mobility levels.

Roads are a critical asset for the nation and for our communities that rely on safe, efficient, and reliable connectivity for the delivery of goods and to access jobs, education and other services that underpin quality of life.

Future investment in the MRN should therefore be considered as part of a 'whole journey' and 'total network' approach to improving transport outcomes, encompassing all travel modes and integrating local and strategic highway planning. This would open opportunities to optimise the benefits of investment through shared ownership of a locality-based strategy, delivering complementary policies and investment. This will ensure that investment in new road capacity is targeted only where the evidence shows it is essential, for example enabling access to new employment and housing growth sites, improving safety and resilience and/or providing vital transport links for industries and businesses dependent on good road connectivity.

While there may still be instances where we need to invest in additional highway capacity to realise our economic ambitions for the North, those economic ambitions primarily need to be achieved through changing the way we use our highways, providing genuine sustainable travel choices - especially as we look to accelerate decarbonisation.



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Sept 2022

Alternative Fuels - Systems approach in action

Reducing the environmental impact of road transport is critical if we are to meet UK legal requirements for decarbonisation. Our region's roads are by far the largest transport emitter of carbon emissions (23% of UK road emissions; 6% of total UK emissions)³³.

One of the key solutions to reach transport decarbonisation targets will be the uptake of electric vehicles, supported by a rapid rollout of EVCI, which are more suited in specific places. Our EVCI framework sets out the scale and pace of charging infrastructure deployment, required across our region, to support a rapid and consistent transition to electric vehicles that supports our regional decarbonisation trajectory⁸⁰.

Working with the private sector to target the required investment, we can help support the case for EVCI investment and deliver the right density and coverage of charge points to meet user needs.

Our whole network, whole systems approach provides the means to better assess the many social and spatial considerations associated with EVCI. That is why we have made our EVCI framework openly available and will continue working collaboratively with public and private stakeholders across transport, energy, and spatial sectors to unlock delivery and investment.

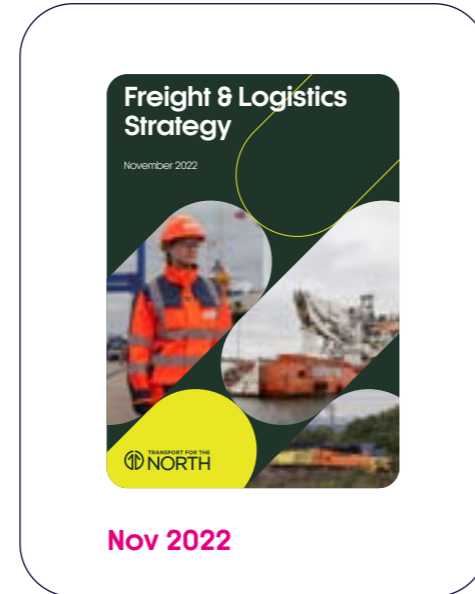
Battery electric is unlikely to be the zero-emission solution for all types of vehicles, which is why we are also working in collaboration with gas distribution network operators to understand potential hydrogen refuelling demand in the North from heavy duty transport, meshing this with the energy sector's plans for early hydrogen supply and gas grid conversion. The outputs of this work will be available for our partners in the future, to further enrich the evidence we can supply to facilitate local authority zero emission vehicle infrastructure strategies.

5.3 Freight and international connectivity

Our Freight and Logistics Strategy explains the sector's importance to the North's economy, with our transport system playing a vital enabling role for our industries and businesses, particularly those in our prime economic sectors of advanced manufacturing and health innovation. Our International Connectivity Policy Position then articulates the economic opportunity of connecting our ports and airports sustainably into our surface transport networks.

Today, over 33% of goods enter through the Northern ports and airports, while 25% of national freight starts in the North, with the same proportion of journeys ending in the North. By 2050 the sector could be worth over £30bn and employ more than 500,000 people, providing the backbone for economic growth and decarbonisation across a range of industries and sectors⁸³. The North of England's freight transport system encompasses rail, road, inland waterways, sea and airport infrastructure, in addition to a significant volume of warehousing. Combined, the North boasts a wealth of freight assets that underpin our region's strong multimodal freight capabilities and provide increasingly important capacity at a national level.

Airports in the North serve a range of destinations both domestically and internationally, with Manchester Airport being the busiest outside of London, based on passenger numbers, and providing employment for 19,000 people directly on the site⁸⁴. Manchester Airport is well connected by European carriers serving Europe, as well as various long haul operators serving locations including the Americas, the Middle East and Asia. Commercial air services to Europe and other parts of the UK also operate from



a network of airports across the North, including Newcastle, Liverpool, Leeds Bradford, Teesside International and Humberside International. Both Newcastle (Emirates) and Liverpool (Lufthansa) also support interchange to key international hubs, facilitating global connectivity for passengers and freight. Several airports in the North also support access to offshore energy infrastructure in both the North and Irish Seas, including at Humberside International and Blackpool.

The major Northern ports serving Hull and Humber, Teesport/Hartlepool and Port of Tyne provide global connectivity. The largest UK port by tonnage is Port of Immingham which is well served by highway and rail links but is constrained by access onto the East Coast Mainline.

Recent expansion of the Port of Liverpool means the North can serve calls from larger post-Panamax vessels (which has increased freight volumes), while also maintaining connectivity with Northern Ireland, Ireland and the Isle of Man.

Peel Ports, who run the Port of Liverpool, have recently made acquisitions in the area, expanding their reach into Ellesmere Port which can offer additional bespoke cargo solutions, reducing road mileage in transporting cargo.

It is critical to strengthen the North's economy to provide connectivity to, from and between all the UK's ports and airports, not just those in the North. This is because the global supply chain works on a wider basis: goods and materials arrive at various locations to be utilised in factories or stored in warehouses prior to delivery to the customer but their point of entry into the UK will be decided by much wider market forces, such as handling charges, where they originated from, and shipping routes. Also, whether the ships are larger deep-sea vessels calling at deep seaports which mainly include the ports in the South or whether they are short sea ships shuttling between European and UK ports.



Enhancing our freight network

Highways play a critical role in moving goods, with road transport by far the dominant mode for the movement of freight (an 87% mode share by tonne km in 2016)⁸⁵. To effectively plan for decarbonisation, we need to ensure a clear understanding of re-fuelling needs across a range of alternative fuels. To complement and enhance this understanding, we need to strengthen our understanding of first and last mile deliveries that encompasses the newer approaches in domestic parcel deliveries and the growth in this area. This needs to cover the development and delivery of networks that can make use of cargo bikes, pedal deliveries and postal services and where these can be complemented by any new approaches to light rail.

The North is also an important hub for rail freight, with 56% of UK rail freight passing to, from, or within the North⁸³. There are several branch lines in the North of England which are specifically used for the movement of goods, such as to the Port of Immingham or Swinden Quarry, North Yorkshire.

The freight and logistics sector is highly dependent on effective inter-regional connectivity. This means appropriate and accessible infrastructure for rail freight, including gauge cleared rail routes that connect key economic centres including ports and airports, both within and out of the North, to support the needs of existing and emerging supply chains.

The rail freight network also needs to be strengthened with greater resilience measures, including the provision of diversionary routes that do not add unnecessary delay or journey times to minimise the impact on industry.

It will be important to open up more freight paths and opportunities for intermodal traffic. The latter can be enabled by new strategic rail freight interchanges (SFRIs) and other multimodal connections. We have examples across the North, such as iPort in Doncaster, where such interchanges have been achieved within existing infrastructure to enable growth, as well as new locations to support the delivery of bulk and intermodal cargoes. Alongside, we need to build our understanding of how micro consolidation activity and the increase in parcel deliveries affects the location and sites that are appropriate for these developments in the future.

The North also has a network of inland waterways which offer opportunities to enhance connectivity, such as the Manchester Ship Canal and the Aire and Calder Navigation. Whereas inland container vessels have specific requirements to access the waterway networks, bulk cargoes such as aggregates used in construction can access the waterways more easily. These opportunities need to be explored further as they can support decarbonisation.

Proposals to expand these operations are being explored. Manchester Ship Canal offers opportunity to reduce the reliance on road-based transport from Merseyside and the Wirral into Manchester. The Aire and Calder offers the opportunity to move bulk and aggregates from the Humber Port complex into Leeds. Investment along the Aire and Calder, for example, would ensure the bridges are tall enough for Euro 2 barges to transport containers on the Navigation.

There is a growing market for short sea shipping routes that connect the major deep water European ports, for example Rotterdam and Antwerp, to East coast ports. For this to be most effective, improvements in the road and rail network nationally need to be considered. This is especially important at Ely to allow trains from Felixstowe to access Northern markets.

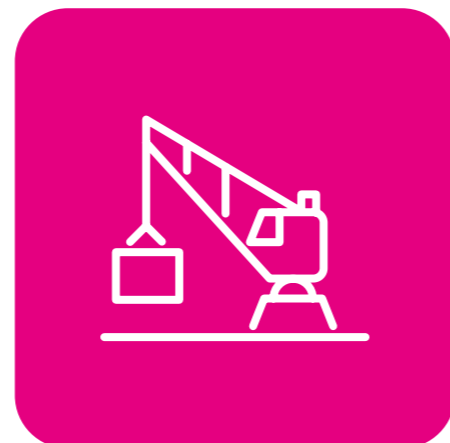


Figure 5.3: TfN ports, airports and warehouse density



Issues and opportunities for our freight network

Despite these extensive assets being available, many are not fully utilised, constraining our region's economic, environmental and social potential. This is due to:

- A lack of joined up infrastructure - particularly in rail connectivity where gaps in gauge clearance, track capacity or electrification are limiting timely and direct freight journeys. This presents a challenge, because most rail freight runs on lines where passenger and freight services run together.
- There are bottlenecks in the network, particularly through Manchester, the West Coast Main Line between Crewe and Weaver Junction, the West Coast Main Line north of Golborne, the ECML two track section through Durham, and the Midland Mainline through Sheffield. These are already heavily congested passenger service routes, leading to limited freight paths and delays in services.



Increasing rail capacity for passenger and freight services would widen access to ports and airports. For example, having more rail paths available on the ECML would open more opportunities to transport freight by rail, allowing ships to make ports of call in the North and using rail to access the national markets. Improved rail access could see the east coast ports reduce the pressure on the southern ports and the Channel Tunnel.

To maximise the impacts of our freight and logistics sector in delivering sustainable economic growth we require an efficient and integrated multimodal freight network, directly linked to our ports and international gateways, and with well-connected warehousing and consolidation sites. We also need investment in rail freight, both capacity and capability, which will support economic growth, create capacity on routes to ports and SFRIs and remove HGVs from our region's roads.

There are capacity constraints relating to terminals at certain locations in the North, most notably for intermodal terminals. SFRIs offer the opportunity to provide large multi-purpose rail freight interchanges, linked with large scale distribution centres and the MRN and SRN. SRFIs require sufficient land availability, as well as suitable gauge clearance ability to accommodate maximum length trains and a competitive funding and cost regime. Proximity to workforce should also be considered to reduce carbon from commuting.

Air travel and air borne freight produce a large amount of carbon emissions relative to other modes. For this reason our International Connectivity Policy Position, strikes an important balance between optimising the economic opportunities from aviation for the North, including the development and production of Sustainable Aviation Fuels (SAF), reducing



local environmental effects associated with aviation, and operating within a carbon budget aligned with recommendations of Climate Change Committee. In contrast, rail freight moved by diesel trains currently produces 76% lower CO₂ emissions than road freight moved by diesel or petrol HGVs, so encouraging mode shift by alleviating bottlenecks and improving price competitiveness would deliver large decarbonisation benefits⁸⁵.

Increasing the North's international connectivity to perform on the global stage can attract and facilitate businesses and entrepreneurs to work together and reach customers and suppliers across the North, the UK and the rest of the world. This will encourage outward and inward overseas trade and investment, which will facilitate economic growth.

Page 84 This plan recognises the importance of integrated multi-modal connectivity to allow seamless journeys, particularly for domestic trips within the UK. Future strategic infrastructure investment in nationally significant schemes such as NPR are vital to enhance the UK's domestic connectivity and support low carbon travel. This will increase the attractiveness of rail travel for domestic travel within the UK. We also view the importance of policies that focus on improving the relative cost and convenience of land based public transport relative to the cost of flying, making these modes more attractive for domestic travel.

There are economic opportunities presented by the decarbonisation of aviation, and by priming itself as an early-mover, the North should capitalise on the significant regional growth opportunities presented by production of SAF and the development of zero emission aircraft.



At the same time, TfN supports better utilisation of the existing unused runway capacity at Northern airports to cater for growth as part of a national strategy for rebalancing use of existing capacity. We also recognise that increases in aviation demand need to be accommodated within a national cap on demand growth of 25% by 2050 and the need for the rapid development of a national capacity-management framework. That would allow decisions on existing and planned runway capacity proposals across the UK to be made in compliance with this cap and the aviation sector's progress against its own decarbonisation pathway as set out in the Jet Zero Strategy⁸⁶. A predominantly technology led approach to reducing aviation emissions (as per national Government's current policy) is unlikely to deliver material emissions reductions prior to 2035 and introduces a significant level of risk to aviation decarbonisation should those technological options not fully deliver.

We recognise that the evidence base around aviation is evolving and as new research emerges, we will work with our partners to consider the implications on our position as required.

Strategic outcomes required for our freight network

- Developing port to port zero-carbon multimodal corridors, with a focus on maximising the economic potential of freeport status to ports and their hinterlands, as well as the potential to produce and use green fuels in our ports including HGVs, rail and maritime.
- Three Northern ports - Humber, Teesside and Liverpool City Region - were successful in bidding for Freeport status. They are expected to bring huge economic benefit for the areas selected, will support growth in the logistics sector, and help us achieve our near zero decarbonisation ambition. We will work with the ports and companies located within the areas to support their development and growth.
- Improving the multimodal North-South and East-West connectivity and capacity across the North, particularly focused on rail. This means increased electrification (including infill) and gauge clearance of the network, including the full delivery of the TRU and the development of rail alternative freight priority routes as well as investment from freight operating companies.
- Optimising the efficient flow of goods on our road networks through improved flow of traffic supported by technology.
- Decarbonising road haulage through identifying partnerships to expedite opportunities for both battery electric charging and hydrogen refuelling of Heavy Goods Vehicles in the North.
- Supporting effective spatial planning, well-connected warehousing, consolidation centres and efficient local distribution networks. This will include looking at sustainable 'last mile' connectivity and working with local transport authorities to develop multi modal hubs.
- Reducing the impact of air pollution and noise from freight movements on the health of local communities.
- Maximising the utilisation of our rail and inland waterway networks, improving multimodal connectivity and local distribution hubs to improve efficiency, and encouraging modal shift from road to rail/water, to support decarbonisation and improved air quality.



5.4 Local connectivity

Identifying local connectivity needs is the responsibility of city-regions and local authorities. A well-designed system of local connectivity can deliver affordable and sustainable door-to-door journeys that match user needs. Local connectivity includes bus, taxi, light rail and active travel modes, integrated via multi-modal hubs and connected mobility (smart travel) technology.

Providing local connectivity to social, education, health, and economic amenities brings different challenges across neighbourhoods, towns, cities and rural communities. This is shaped by each place's context, location, and scale, and needs locally determined and delivered solutions. However, what is common across all places is a need to ensure access to key destinations in a reasonable amount of time, appropriate to the journey purpose via all modes. Pan-regional working and knowledge-sharing can support local authorities as they work towards these similar goals.

TfN defines local connectivity as “the way in which people and freight move around a localised area across all modes of transport.”

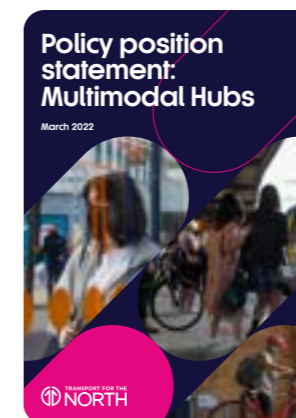
Frequent local transport use is essential for opportunities, key services, and community life. However, the nature of our current transport system means that the necessary level of transport use is unaffordable for many. Evidence gathered through several TfN projects shows that two types of affordability challenges are widely present in the North:

- 1 In rural, peri-urban, and suburban areas in particular, we see forced car ownership. This occurs where car use is a prerequisite for accessing the key destinations necessary for everyday life, but where the costs of car access cause significant financial hardship. This includes debt, financial stress, and foregoing other necessary expenditure in order to fund car loan repayments, fuel costs, insurance, and maintenance.
- 2 In more urban areas, we see significant public transport affordability challenges. As well as being unable to afford fares for necessary journeys, this also manifests in being unable to afford to travel for leisure, recreation, and other discretionary purposes. Engagement with impacted populations reveals that these travel reductions have negative impacts on social and mental wellbeing.

Underpinned by:



March 2022



March 2022



May 2022



July 2023

Buses account for the majority of public transport journeys across the North of England⁸⁷. Buses are the foundation of our public transport system, providing accessible, affordable and sustainable access to jobs, learning and local services. A fast, frequent and integrated bus network is vital to the North's economic success. Buses also play a key role in reducing social isolation and catalysing social mobility in rural communities, alongside supporting low income, younger/ older and disabled passengers.

However, too often bus journeys can be fragmented and confusing, acting as a barrier to usage. Passengers often require multiple tickets, even on the same routes, as operators do not accept each other's ticketing products or facilitate trips across local authority boundary. Timetables are not integrated, particularly with the wider rail network, leaving gaps in services and elongated journey times.

Increased traffic congestion has made bus services slower, journey times unreliable and more expensive for operators to run. Compounded by a reduction in patronage following covid-19, there has been a significant reduction in the North's bus network coverage, as fewer routes can operate on a purely commercial basis. This is of most significance for rural and sparsely populated areas who often have no viable public transport alternative.



Safety and accessibility are also a fundamental requirement, determining how people use and perceive the transport system. This is relevant to local public transport, but is especially significant to active travel trips. However, many of our areas are starting from a low base when implementing active travel schemes. Pavement parking, severance, a lack of dedicated infrastructure inconsistent rules for taking bikes on trains/ trams and between different operators, all contribute to active travel infrastructure not offering the safe, direct, accessible and consistent experience users require.

Light rail and mass transit also have a key role to play in local connectivity across the North. South Yorkshire is currently piloting new technology which allows trams to travel on the heavy rail network as well as conventional tram networks. This has the potential to extend the reach of existing light rail networks and allow integration with heavy rail networks. There is potential for further tram-train operations in South Yorkshire and Greater Manchester - the conversion of existing heavy rail routes to tram-train could be a cost-effective way of reducing congestion and freeing up additional capacity around pinchpoints on the heavy rail network (e.g. Sheffield Station and Central Manchester). The Tyne and Wear Metro has shared running with heavy rail between Pelaw and Sunderland, and a scheme to extend running onto part of the former Leamside heavy rail line serving the major centre of Washington is under development.

There are other potential technologies that could play a role in making existing heavy or light rail systems more efficient. They include Very Light Rail which is a technology under development in the UK for use on lightly-used heavy rail lines. It uses lightweight, modular vehicles that can run on hybrid or electric power and operate on line of sight (similar to light rail) thereby reducing complexity and cost. This mode is likely to have the greatest potential for existing branch lines that don't have a significant interface with the rest of the network or for new/restored railways. There are also other lower cost Very Light Rail systems being developed that could run on streets in urban centres.

Central to realising improvements to both local and regional connectivity is the North's shared strategic ambition for greater integration between modes and place - this ambition exists not only for our existing transport networks but also supports the integration of emerging modes and technologies with them.

TfN's Connected Mobility Strategy defines the North's vision for a seamlessly interconnected mobility ecosystem where all transport modes are effortlessly accessible to passengers in networks relevant to local markets. Across three core thematic areas, around Ticketing, Data & Infrastructure and Future Mobility, the strategy sets out 30 strategic outcomes for the North that are intended to make transport more appealing, easier to use and affordable⁸⁸.



We will therefore work with our partners in the following areas to better support local connectivity:



Buses present the quickest, easiest and most effective way to enact radical changes to our public transport networks. Bus routes can be rapidly reconfigured to match user travel patterns, and support sustainable access to new housing or employment developments.

Demand responsive services can dynamically fill network gaps to meet user needs outside of traditional operating hours and across rural communities, while reallocation of existing road space for bus priority can unlock significant time savings and user benefits. Many partner authorities, particularly in Mayoral Combined Authority areas, are taking the first steps towards greater control of their bus networks. This includes franchised bus services in Greater Manchester, as part of the delivery of the Bee Network. We will work together with Partners to support bus reform in the North and increase bus patronage.

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Active travel should be a natural choice for many journeys, particularly for shorter everyday trips. Providing this natural choice requires safe, accessible, and consistent routes between neighbourhoods, key local destinations, public transport links and central hubs. It also requires secure storage for bikes and mobility aids, and allowing these on a greater range of public transport journeys. If delivered at pace and scale, active travel can play a key role in improving the health of our communities, contribute to decarbonisation and help address transport affordability challenges. We will need to identify strategic active travel corridors, including those enabled by e-bike and micro-mobility technologies, to deliver modal shift. This will enable local transport authority partners, who have responsibility for local transport strategies and their delivery, to implement more ambitious and longer-term schemes.



We will support an accelerated transition to a fully zero-emission bus network, which is essential to meet national Government, TfN and partners', decarbonisation targets. Buses provide the fastest and most significant opportunity to decarbonise road transportation.

TfN will support local partners to identify and invest in opportunities for multimodal hubs (including bus park and rides, interchanges, community transport and car clubs), supporting efforts to increase the number of multimodal journeys in the North. Well located and designed hubs can be critical in enabling sustainable trips across the North, transforming and revitalising communities through supporting increased density and mixed-use development, and enhancing the attractiveness of public and active transport trips across all parts of the North.



Integrated and smart ticketing is key to encouraging sustainable travel. Our work on Connected Mobility is providing LTAs with additional specialist capacity in developing and deploying digital and ticketing initiatives at a local level.

On fares, we will develop modelling tools to support fares reform that reduces complexity, increases affordability, and supports multimodal integration. On Pay as You Go; we will bridge the gap between national strategy and local delivery, supporting partners in delivering fare capping quickly and efficiently.

We will advocate for Data & Infrastructure enhancements that deliver more connected mobility for passengers including embracing the use of open data and greater data standardisation. Increased integration will support behavioural change and support the seamless provision of nearby station departures, parking availability, or onward bus arrival times.

We will make the case for joined up funding and explore how support can be provided to authorities in the procurement of innovative technologies in a way that enables agile development and systems iteration.



Flexible and integrated multi-operator, multimodal and cross border ticketing is an essential requirement, making public transport easier and simpler to use. Ensuring our bus network is fast, frequent, reliable, affordable and seamlessly integrated within the North's public and active transport networks can provide an attractive and viable alternative to using a private car. This must include proactively supporting the development of simpler and more affordable fare structures for passengers. We will also explore the viability of demand responsive transport versus the viability of traditional bus services in both rural and urban communities or as a means for first / last mile solutions to keep communities connected to key services and opportunities.



Light rail and related technologies can play a significant role in supporting mode shift to sustainable modes. Whilst light-rail is likely to be most appropriate in urban areas, tram-train and other modes could play a role in other locations too. TfN will support partners to develop existing or new light rail networks as part of integrated systems with a focus on supporting integrated ticketing and integration with other modes. TfN will also work with partners to develop options for additional tram-train services with an emphasis on where these could offer a more cost effective alternative than providing additional capacity at congested points on the heavy rail network.



Spatial and transport planning must work symbiotically for sustainable, inclusive growth. Through integrating public transport corridors, hubs and interchanges with residential and commercial development, we can create inclusive and sustainable communities' places in the North that unlock new opportunities for bus, rail and active travel use.

Our framework for spatial planning identifies how greater densification in the North's urban areas can increase active travel usage and remove community severance, whilst strategic employment and residential sites should be located close to public transport corridors, removing over-reliance on private car travel and reducing TRSE. We will work collaboratively to support local partners to prepare inclusive spatial plans that are sustainable, practical, and well-designed.



We will work to ensure that rural communities are well connected to places and opportunities across the North. In rural areas, we will work with local partners to understand their needs and how to enhance access to opportunities for our rural residents, organisations and tourists. We will collaborate with other STBs and DfT to understand funding requirements for strengthening the public transport offer in rural areas and reducing car dependency. We are advancing our analysis and evidence for rural mobility and collating best practice to assist partners to identify place centric schemes and support innovative interventions that will support the North's rural communities.

5.5 A place based approach

The successful delivery of our strategic ambitions and outcomes can only be achieved through a collective effort nationally, regionally and locally. This needs effective transport planning with a golden thread from national policy, regulation and legislation, to our regional Plan, through to LTPs.

As TfN, our role is to present the collective, strategic priorities and ambitions for the North with a specific focus on pan-Northern connectivity. However, for the North to thrive, we require efficient, high-quality local connectivity to create an inter-connected, decarbonised strategic transport system for the entire region. We need to undertake a place-based approach to strategic transport planning.

To better understand the diversity of the North's people and places, TfN has used data and evidence to develop a comprehensive and bespoke Northern people typology and a Northern place typology. The two typologies considered together help ensure that transport policies, strategies and interventions are mindful of and tailored to the specific needs of different population groups and place types within the North. This People and Place Framework is published in full alongside this Plan and can be used to support better representation and diversity in transport planning.

The Framework includes nine distinct place types and nine distinct people (or household) segments across the North that can be used by our LTA partners as evidence to inform their own LTP process. Ultimately, within this policy context, the North's LTAs through their own LTPs will make a final assessment as to what the right mix of policies is for any given area.

For local connectivity, there is a need to balance major infrastructure and long-term investments in road and rail, with local decisions around streets, junctions, stations and service patterns. Therefore, our focus for local connectivity considers all modes of transport across all place typologies, as well as identifying relevant policy gaps in our evidence base as areas for further research.

Our Clean Mobility research has shown us that by achieving reduced car vehicle mileage through modal shift, we can accrue significant wider societal and economic benefits, but more reliable and efficient travel choices and options are needed to drive the behaviour change required. This research has also shown further work on demand management options would be helpful, as well as what can work for our rural areas⁸⁹.

While many of the policy priorities could be applicable to a range of places in the North, we have strived to identify the principal policies or areas of focus while also ensuring that these are distinctly different for each place type.

In the same way, where there is a need to consider certain environmental aspects for a place type in particular, these have been drawn out within the policy priorities. However, it will be important across all place types, where new or updated infrastructure and services are proposed, that the integrity of the historical, visual and natural environment in those places is maintained and delivery authorities consider opportunities for enhancing those environmental assets wherever possible.

This section summarises the composition of each place type and describes the potential impacts of the principal policy priorities identified for each place type on the kinds of people (e.g. Hard Pressed Living 1) that can be found there. Several local authorities will fall into more than one category. 'People type' definitions and further detail on the supplementary policies that underpin each principal policy priority can be found in the full People and Place Framework⁹⁰.



Commuter Towns

Commuter Towns are highly reliant on transport infrastructure to provide accessibility to employment opportunities across the North, including strong linkages to neighbouring Large Conurbations and strategic employment sites.

Car usage is particularly common for local and commuting trips due to the absence of viable and cost-effective public transport, and longer distances between housing and employment locations. Some commuter towns, such as Warrington, may generate a large amount of outbound commuting trips, but also inward commuting trips from surrounding towns that need to be accommodated by the transport system.

Delivering reliable multimodal hub and spoke transport options will provide sustainable and low carbon access to opportunities to and from Commuter Towns. For short and often multistage journeys within Commuter Towns active travel and reliable bus services should be the natural choice. A holistic approach to spatial and transport planning should seek to reduce car dependency in Commuter Towns with road reallocation, decoupling parking provision from development and new green and blue infrastructure all providing opportunities for change.

What impact might these policies have on the North's people?

Commuter Towns feature a mix of people types, with Small Town Suburbs (42%) and Hard Pressed Living 1 (24%) being predominant. Small Town Suburbs travel further distances overall than almost any other segment, travel some of the longest distances to work and are highly car dependent. This segment would benefit from faster and cheaper public transport options for commuting as an alternative to the car. Improved public transport services and active travel infrastructure would also benefit those in Small Town Suburbs and Hard Pressed Living 1 who do not commute to neighbouring cities, by improving connectivity to local employment opportunities and facilitating essential and leisure journeys, particularly for those who have low qualifications and/or do not own a car.



Large Conurbations

Large Conurbations contain 51% of the North's population, can also be places of great variation and often face challenges around deprivation and poverty. They also benefit significantly from economic agglomeration and generate greater productivity than the Northern average.

Large Conurbations increase their public transport demand closer to the city centre, as population density increases. As such, there are many public transport and active travel trips within cities, and a fair share of private vehicle usage to nearby towns, between other towns and to-and-from the city centre. Large Conurbations are also the areas which often face the most acute air and noise quality issues, particularly around arterial routes, and the strategic and major road networks.

Our Large Conurbations should be attractive, lively, and exciting places that people want to spend time in, drawing in visitors from across the North to work, shop and socialise. Policies to encourage sustainable transport are critical to supporting economic growth and ensuring equitable development. Integrated and affordable public transport will allow the implementation of demand management policies that can provide short- and medium-term increases in modal shift, away from private car use. Densification can also support reducing travel distances in urban areas. Within urban locations, interventions

which promote increased reliability and efficiency across the transport system, as well as shorter travel distances are most likely to benefit businesses in these areas. Decarbonising will also transport fleets is key for achieving national decarbonisation targets.

What impact might these policies have on the North's people?

This place type has one of the most diverse arrays of people. Policies which support viable sustainable travel options and improved connectivity in Large Conurbations will therefore benefit a wide range of people segments (including Hard Pressed Living 2, Metro Suburbs, Multiculturals, and Urbanites, among others) by connecting them to employment and education opportunities and facilitating essential and leisure journeys, while reducing congestion, air pollution and noise. Large Conurbations are home to high shares of Multiculturals, Constrained City Dwellers and Inner City Cosmopolitans - who have the lowest car ownership (around 50%) and rely heavily on public transport and active travel.



Rural Villages and Dispersed

Rural Villages and Dispersed locations are generally characterised by long distances, poor accessibility and high levels of car dependence, which create difficulties for implementing and encouraging more sustainable travel modes. The 'right share' for this typology will be different to the pan-Northern target set in the Plan's vision and objectives, as private vehicle is still likely to have the biggest modal share.

Rural Villages need to become places with a wider range of transport options as they have typically not been well-served by public transport. This needs to be addressed through spatial, transport and digital solutions. Public transport needs to be an attractive and affordable alternative to cars, serving the communities favourably in terms of reliability, journey times and coverage. Community based transport will play a key role in connecting Rural Villages and Dispersed with their commuting and leisure needs, and with the existing transport infrastructure, for access to wider services and amenities. Recognising the high private vehicle usage, it is important to ensure an equitable transition to zero emission vehicles in these places. Policy aims should look to make private vehicle travel more sustainable, for example by switching to electric vehicles, community-led car clubs, and government subsidies to support the shift in agricultural vehicles. Behavioural nudges to uptake new travel options will be needed, whilst also

encouraging public transport patronage where available. Active awareness campaigns, training and fare incentives should be considered for car clubs, demand responsive transport and scheduled bus services.

What impact might these policies have on the North's people?

Rural Villages and Dispersed is the most concentrated place type in terms of people segments present, with Rural Residents accounting for 80% of the population. Rural Residents travel greater distances than any other segment and are the most car-dependent, with 89% of overall distance travelled by this segment attributed to car travel. A focus on the transition to electric vehicles and community-led car clubs will provide more sustainable options for Rural Residents who travel by car, particularly for commuting purposes, while more extensive and reliable public transport connectivity, demand responsive transport and community-based transport services will provide more options for everyone, encouraging modal shift and providing significant economic and social benefits for Rural Residents without access to a private car.



Rural Town and Fringes

Rural Town and Fringe areas include rural areas that are within closer proximity to nearby towns and cities. Unlike Visitor Destinations, Rural Town and Fringe areas rely less on the tourism sector for employment, with a broader mix across sectors.

Low population densities pose a challenge to connecting residents to economic and social opportunities. An ageing population is likely to travel less, by all modes, due to physical accessibility and health issues. Consequently, there is a high amount of the population living at high risk of TRSE. Levels of local transport services, particularly bus services, have declined in the last decade, leading to increased car dependency and severance due to major road infrastructure contributing to the risk for TRSE.

These places are close to other towns and cities. Therefore, they could benefit from improved transport connectivity through demand responsive bus services and integration to urban services. These may need to be publicly funded to maintain the levels of service needed to support sustainable transport options to help deliver near zero emissions in these areas.

Transport has the potential to improve the health of rural communities, through encouragement of active travel primarily for leisure trips rather than commuting given the distances between key centres.

Walking and cycling infrastructure should be designed inclusively, particularly considering the ageing population, as car usage decreases dramatically for these groups.

Making roads and pavements safer needs to be a priority, particularly for active travellers, as they are the most vulnerable users of the road and considering that across the North, retired people make an average of 19.5% of their journeys on foot. Implementation of new travel opportunities must simultaneously address the reliability and resilience of the road network, as Rural Town and Fringe areas often have one road access making accessibility vulnerable to infrastructure failures.

What impact might these policies have on the North's people?

Rural Town and Fringe place types have a more diverse mix of people segments than Rural Village and Dispersed, including Hard Pressed Living 1 (36%), Rural Residents (27%) as well as Small Town Suburbs (25%). These people segments are highly car-dependent, with a high risk of TRSE for those experiencing forced car ownership due to a lack of viable travel alternatives, and for those without access to a private car. For each of these segments, increasing the range of viable travel options, centred around public transport services and active travel, will provide more sustainable access to a greater range of employment, education and leisure opportunities and key services such as healthcare, both locally and in neighbouring towns and cities.



Transformational Places

Due to the variation within Transformational Places several represent dynamic and successful local economies, whilst other places face a variety of economic and transport constraints and market failures.

Given their often semi-rural and dispersed geography, Transformational Places are highly reliant on their transport infrastructure. Infrastructure must facilitate sustainable and flexible commuting flows to key employment sites and neighbouring Large Conurbations, as well as catering for high levels of logistics delivery trips due to low population densities. Ensuring that transport connectivity is sufficient to continue to attract investment remains a key issue for many Transformational Places and their economic sectors, particularly improving links to international gateways for export-related firms in advanced manufacturing.

Transformational Places provide a significant opportunity for rapid transport decarbonisation. Transport policy focus on reducing car dependency, particularly for new residential and industrial sites, through planning that builds active travel and public transport into the fabric of communities. Given the higher levels high car ownership, policies are required to increase the convenience and attractiveness of public transport, relative to private car use. At the same time, with higher economic outputs, there is a greater propensity for early adoption of electric

vehicles, local policymakers should consider supporting this transition with adequate charging infrastructure.

To support continued inward investment in advanced manufacturing, consolidation centres should be situated adjacent to the strategic rail or road network with direct access to key gateway ports and airports for exports to international markets; helping to reduce unnecessary trips by shortening supply chains.

What impact might these policies have on the North's people?

Reflecting their variety and wide geographic spread across the North, Transformational Places are home to a varied mix of suburban and rural people segments, including Small Town Suburbs (38%).

Rural Residents (27%), Urbanites (18%) and Hard Pressed Living 1 (14%). Most of these segments are highly car-dependent and would benefit from opportunities to take up electric vehicles and/or car clubs to make their journeys more sustainable, particularly for commuting purposes. Better public transport options are also needed to encourage greater use of rail and bus for commuting.

Urbanites for example already demonstrate comparatively high use of rail for commuting.

For segments such as Hard Pressed Living 1, who have lower levels of qualifications, and travel shorter distances, improvements in transport infrastructure would improve access to economic and education opportunities, particularly with improved access to locally significant employment sites in isolated locations.



Other Urban

Other Urban areas have the second highest population density of all the typologies across the North, with lower population growth of 1% compared to the Northern average of 1.5%. They are distinguished from Industrial Places by having a low number of people working in traditional industries (3.4%) and a high number of people working in the Public Sector (38.7%), similar to Towns within Metropolitan Counties. Like Industrial Places and Towns within Metropolitan Counties, Other Urban areas have a low percentage of people with level four qualifications or above, a small percentage of people working in knowledge intensive business services and have an above average unemployment rate (though not quite as high as industrial areas).

Effectively, they represent a more geographically focused version of Towns within Metropolitan Counties, with a similar employment breakdown, but more geographically isolated and further from the Larger Conurbations.

What impact might these policies have on the North's people?

In common with Former Metropolitan Counties, Other Urban areas have a mix of predominantly suburban-based, car-dependent people segments, including Hard Pressed Living 1 (35%), Small Town Suburbs (27%) and Urbanites (16%) and share somewhat similar economic challenges to Former Metropolitan Counties and Industrial Places. Policies to complement the existing rail network in Other Urban areas with affordable public transport provision and active travel infrastructure will provide better and more sustainable connectivity to economic and social opportunities for residents and improve their quality of life, particularly when coupled with other urban regeneration initiatives.



Visitor Destinations

While all parts of the North have key visitor destinations or attractions our definition of Visitor Destinations is focused on rural destinations and towns that attract large numbers of seasonal tourists each year. They tend to be within and surrounding national parks and Areas of Outstanding Natural Beauty or areas of historical significance and some coastal resorts.

The seasonal nature of visitor destinations requires a careful consideration for the transport infrastructure and modal splits in these areas. Consequently, there are two different but equally significant user groups: tourists and local population.

Policies must accommodate the seasonal demand of tourists whilst also supporting the needs of the local population, particularly addressing the above average risk of TRSE.

Visitor destinations are attractive places for tourists. Therefore, policies should be mindful of the need to conserve and enhance both the natural and historic environments which generate tourism demand, as well as enhancing local transport provision and encouraging local regeneration to benefit residents. To support this policies should consider safer roads and footpaths for all users combined with better path finding to encourage sustainable first and last visitor mile trips whilst preserving the natural environment,

landscape and the historic and cultural assets of visitor destinations.

Due to high car dependency and low density, the 'right share' for this typology will be different to the pan-Northern target set within this Plan, including different splits between tourists and the local population. However, the policies aim to encourage tourists to arrive to Visitor Destinations by public transport.

What impact might these policies have on the North's people?

In keeping with their predominantly rural character, the most common people segment in Visitor Destinations is Rural Residents (39%), but they also have notable shares of Hard Pressed Living 1 (35%), Small Town Suburbs (27%) and Urbanites (16%). The benefits that these groups of residents could derive from the above policies will therefore vary, but most will enjoy a better quality of life from the reduction in congestion and negative environmental and social externalities arising from tourist visits.

Better transport connectivity within Visitor Destinations and to neighbouring towns and cities will offer broader and more sustainable access to employment and social opportunities, whether locally or further afield, to all segments, with particularly beneficial impacts for the segments with lower qualification levels such as Hard Pressed Living 1.



Town within Metropolitan Counties

Towns within Metropolitan Counties face a similar set of challenges as Industrial Places around attracting business investment and improving skills. Due to the major roads near and in towns within Metropolitan Counties, there is severance and negative environmental externalities. There is a strong case for improving their town centres to attract more business investment, increasing job opportunities.

Due to their proximity to Large Conurbations and high percentage of commuters, there is an opportunity for connectivity to large urban centres (with stronger employment markets) to support labour supply effects and address the risk of transport-related social exclusion linked to basic service access in these areas. More efficient bus services and active travel upgrades can sow the seeds for future densification. Many towns in these areas already benefit from well-used railway stations. This needs to be balanced with local regeneration and improvement of town centres to avoid excessive amounts of commuting in peak hours and encourage more local trips. The first policy recommended in the full People and Place framework therefore focuses on 15/20-minute neighbourhoods for this place type. To further local regeneration in the future, densification should be a long-term goal.

What impact might these policies have on the North's people?

Towns within Metropolitan Counties are predominantly comprised of suburban-based people segments which are closer to Large Conurbations, including Metro Suburbs (28%), Hard Pressed Living 2 (28%) and to a lesser extent also Urbanites (17%). Among these segments there is a comparatively high prevalence of commuting to neighbouring city centres. Improved rail and bus connectivity to these employment centres would provide residents with sustainable access to a potentially wider range of economic opportunities and facilitate better skills-matching. At the same time, investment in local public transport and active travel infrastructure would support local regeneration, providing more economic opportunities locally as an alternative to commuting to nearby cities (particularly benefitting groups such as Hard Pressed Living 2 who tend to travel shorter distances to work) and supporting essential and social journeys in the local area for all segments.



Industrial Places

Industrial Places are areas where employment is focused around 'traditional' industries, with typically lower levels of productivity and higher levels of economic inactivity and unemployment. Typically located surrounding Large Conurbations such as Liverpool, Manchester and Sheffield, together with other large urban areas such as Hull and Carlisle.

Industrial Places face several challenges around encouraging inward business investment, particularly in their potential strengths in advanced manufacturing and encouraging greater labour market participation. Improved connectivity to employment centres and regenerating neighbourhoods is required to both attract investment where existing accessibility is poor (provided other, complementary investment is made in skills and training), and support labour supply effects where they better connect regions to areas with high employment densities and job vacancies.

These types of places generate significant volumes of business and freight traffic, largely due to a greater proportion of employment within the manufacturing, logistics and distribution sectors which rely on the highway network. Policies focused on protecting, enhancing and improving access to historical assets and townscapes, which form part of the

transport infrastructure network such as stations and viaducts, are essential for this place type.

Tackling TRSE is a priority in this typology as 40.7% of the population live in high-risk areas. This requires significant investment in local public transport to employment centres, education and health services, including out of town locations.

Public transport should operate sufficiently within evenings and weekends, enabling access to work with irregular hours, including shift work. This will ensure everyone, including non-car users and vulnerable groups, are able to access opportunities, which will have economic as well as social and wellbeing benefits.

What impact might these policies have on the North's people?

Industrial Places are the most diverse place type in terms of people segments represented, with a quarter of the population accounted for by the Hard Pressed Living 1 segment and the remainder split relatively evenly across the other segments. This means that the potential benefits from transport improvements will vary depending on each segment's socio-economic characteristics and proximity to economic and social opportunities, however given that over 50% of the population in Industrial Places are in the more economically deprived people segments, these groups would benefit from better accessibility to employment and education opportunities locally and to nearby larger employment centres, coupled with policies intended to encourage local economic regeneration. Investment in sustainable, reliable, and affordable local transport connectivity will also help reduce transport-related social exclusion, which many of these segments are at a high risk from.

Our place-based approach enables a focus on outcomes, and how better connectivity can create more liveable communities facilitating greater opportunities for decarbonisation, and improving health and wellbeing for all. Aligning spatial and transport planning, such as by providing better accessibility to services, is critical to achieving those outcomes.

We need to change the way we plan for, develop and deliver transport infrastructure and services. While transport investment can be a catalyst for change, it is not sufficient alone and alignment with investment in other areas of public policy is needed including in skills, housing and place making.

TfN has an enabling role in spatial planning by providing the wider infrastructure context, as to ensure pan-Northern connectivity and support cross-boundary development, within which local plans can be prepared. TfN's innovative analytical tools are rapidly opening up new areas of collaboration with the energy, housing and planning sectors.

The opportunity now is to align spatial plans to ensure they unlock new housing, work and leisure sites that are active and public transport focused.

This Plan reinforces our key role in working across sectors to promote the clean growth opportunities from developing and producing alternative low carbon fuels and emerging low carbon technologies. This includes partnering with our energy distribution networks and industry to understand the feasibility and infrastructure requirements to create a viable low carbon refuelling network for both light and heavy-duty transport users. This is demonstrated through TfN's EVCI framework and data tool, as well as our ongoing work to visualise a pipeline-supplied Northern hydrogen refuelling network.

TfN's spatial planning framework provides a mechanism for partners to consider the transport objectives of the Plan within their own spatial plans and development strategies. We can help by supporting a 'bottom-up' assessment of the development impacts on neighbouring local planning authorities and the level of accessibility of the proposed development via all transport modes. Using our analytical framework, we can help align strategic planning outcomes and integration opportunities to deliver our combined economic, social and environmental vision for the North.



5.6 Bringing it all together

To deliver our vision, we need our transport system, whether national, regional or local to work efficiently and effectively together. It is crucial that pan-Northern road and rail networks are seamlessly integrated with our national networks, local roads and public transport networks; that spatial planning at all levels supports effective multimodal hubs, as well as walking and cycling networks. Fares must be integrated, smart, affordable, and simple to understand.

Interventions to support local roads, local public transport modes, walking and cycling are primarily the responsibility of our local transport authorities. But they are important enablers to reduce congestion, encourage shift to sustainable modes and are essential in creating a more integrated, healthy and resilient overall transport system. As such, they are vital to achieving our collective ambitions and decarbonisation outcomes.



Given the scale of these challenges, investment is required to support pan-Northern connectivity, inter-regional connectivity and local transport networks. That investment must recognise:

- Our rail network and wider connections must transform the access to opportunities for millions of people, recognising the need to move beyond the current deficient performance and take clear steps to create capacity for passenger and freight growth over a sustained period of investment.
- The critical importance of the North's road network to our economy and supporting our modern society. Roads are a multimodal asset and provide the public space we all use to move around, whether that be on foot by bike, bus or car, as such they are an essential community asset. We need to choose how the space available is used in order to meet our need to decarbonise, maintain access for freight and encourage active travel.
- The importance of local connectivity and multimodal integration in providing door-to-door sustainable transport for people and goods. There is a need to invest in improving local connectivity. This will address the extent to which our current transport system too often acts as a barrier, and represents an opportunity to decarbonise transport.



There is also a clear need for public transport modes to work together in a way that creates a genuinely attractive alternative for car use for a wide range of journeys. It is important to invest in surface access to international gateways for passengers and freight, recognising our ports and airports as key economic assets. We need to align investment across our transport system to achieve an integrated, affordable and connected network - that requires a mix of technology, behavioural changes and mode shift solutions.

To avoid the risk of increasing private vehicle mileage, we need to focus on reducing the need for car travel and supporting a higher proportion of travel by public transport. This will support our transport objectives of reducing congestion, increasing operational efficiency, and improving air quality and health.

Following the lead of other transport bodies in the UK, we are proposing a 'right share' metric that will support efforts to reduce car dependency and create the capacity required to accommodate growth on our public transport networks, so that:

- The share of trips made by sustainable modes (public transport and active travel) increases to 51% by 2050 (currently 34%).
- There is zero overall regional increase in car and taxi vehicle mileage on the North's road network to 2045, against a baseline of 61.1 billion in 2019.
- The share of freight (measured as tonne km) carried by rail trebles from 8.5% to 25.5% by 2050.

Achieving these metrics will only be possible with significant investment to improve public transport and active travel choices, which this plan advocates for, and through bold action in our cities and larger centres where there is greater density and therefore greater opportunity for change

Through our evidence base and analytical tools, we will provide support to our local authority partners in the preparation of their LTPs and defining the 'right mix' of modal targets for their different places. Our Clean Mobility tool⁹¹ and Quantified Carbon Reduction dashboard⁹² will help to identify those interventions most likely to support mode shift and reduce vehicle mileage for different places and the intensity of interventions required.

6.

Action and impact framework



This Plan has demonstrated the scale of change needed to deliver the strategic ambitions and outcomes the North wants to see, as well as the significant challenges faced by the current state of the transport system. The implementation of this ambitious and challenging Plan will require a concerted, sustained effort across the region working with national and local partners to:

- **Move at pace to secure the funding (capital and revenue) and deliver the investments** in infrastructure and services that improve connectivity, particularly to meet the requirement to achieve near-zero carbon.
- **Change the way we plan for, develop and deliver transport infrastructure and services.**
- Work to **align investment in transport with other strategic infrastructure** investment to achieve the North's ambition.

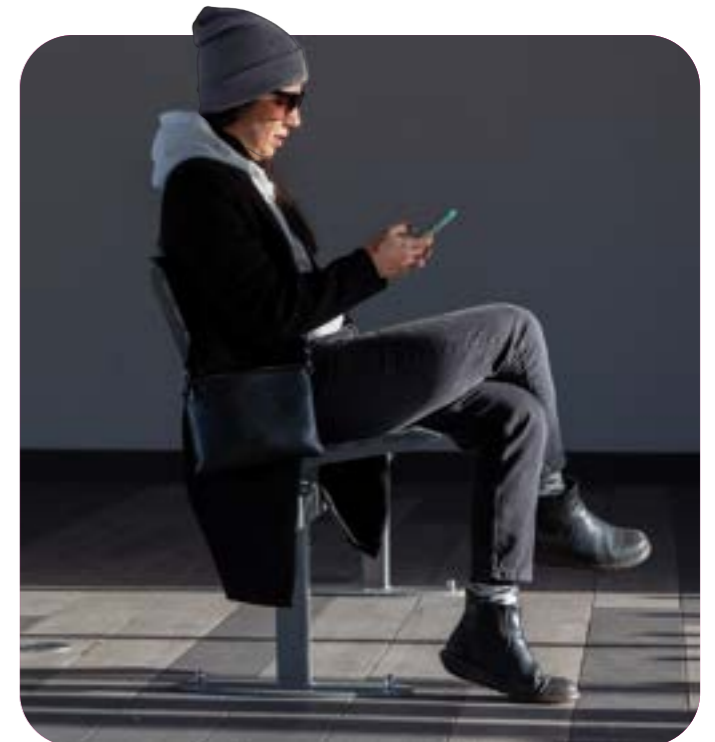
Action and impact framework

Since being established in 2018, TfN has developed a strong reputation for clear forward thinking on transport issues, industry-leading technical expertise, local knowledge and relationships that allow us to be:

- A **centre of technical excellence** for the North - building analytical tools that are available to all partners.
- A **source of trusted information** - holding and collating information that is available to all our partners locally, regionally and nationally as a foundation on which to develop solutions.
- A **strategic thought leader** and champion of strategic transport planning - one that ensures the linkages between transport, digital and energy systems are reflected in decision making.
- An **enabler of accelerated delivery** - applying our capability and capacity in support of our partners as they bring forward solutions for implementation.
- A **trusted collaborator** - working with partners (nationally and across the North) to maximise activity to the benefit of our communities and businesses.

As a statutory body a key role for us is to articulate the strategic direction and ambition of the North, providing evidence based recommendations that can underpin decisions on funding, sequencing and implementation of transport investment. To support that we will introduce a series of processes that will enable a holistic approach to providing regular progress updates and reporting on the impact of this Plan to the TfN Board. We will also ensure the assessments feed into our other processes, such as our annual business plan.

We will work with our delivery partners, businesses, the transport industry, and government to support the delivery of schemes, influence policy and ensure we are on track to deliver on our intermediate 2030 and long term 2050 ambitions.



Our **Policy Action and Implementation Plan** brings together several processes at TfN to assess progress against the strategic ambitions, using a range of objectives, metrics and **key performance indicators (KPIs)**.

Together, these processes provide a robust framework to measure performance against this Plan, including helping us identify any of our metrics where there is underperformance. That intelligence will enable us to work with our Board to reconsider our approach to ensure we are doing everything we can to deliver on our collective vision, and inform any subsequent advice to the Secretary of State and arms-length bodies.



TfN Monitoring and Evaluation (M&E) Framework - consists of a series of headline, core, and supplementary metrics developed in collaboration with partners that can be used to monitor the effectiveness of this Plan.

Action plan and KPIs - our action plan will form part of our annual business planning process, clearly setting out what TfN will do as an organisation to support delivery of our collective vision. Through our monitoring and evaluation dashboard we will articulate how the North is performing against the headline and core metrics and include a summary of this in our annual report.

Monitoring and evaluation

One of the key principles of this Plan is to be outcome focused. Our Monitoring and Evaluation Framework provides a mechanism to do that through a series of headline, core and supplementary metrics, developed in collaboration with our partners. We will monitor the effectiveness of this Plan, reporting against the Monitoring and Evaluation Framework. This will allow us to monitor progress towards our Vision on an annual basis. It should be noted that these are pan-Northern metrics and we recognise that different places may perform differently or have nuanced targets depending on their unique circumstances.

These pan-Northern metrics are split into the following categories:

- **Headline objectives (19 metrics)**
Ambitious, long term, transformative and linked to targets and trajectories. These represent the highest profile, public facing objectives that will drive TfN's strategic focus.
- **Core metrics (60 metrics)**
Provide key evidence required to monitor the road and rail networks in the short to medium term and will form a fundamental part of monitoring our Plan. Here a 'good is' target is usually sufficient rather than specific targets.
- **Supplementary metrics (20 metrics)**
Provide supporting evidence to understand the wider context of the transport system.

For each ambition there are several sub-themes which together represent relevant aspects of the objective and an overview of the best current available metrics. TfN's metrics are designed to complement and inform KPIs of delivery bodies such as National Highways and Network Rail and partner authority LTP objectives.

It is important to note that these are ambitious pan-Northern targets or end states which clearly align to the outcomes the North wants to see delivered as set out throughout this Plan. However, given the geographic and social differences across parts of the North not all these targets will translate down to a local level. As set out earlier in this Plan, partners' own LTPs will set their own priorities which may see some of our partners committing to go further and faster than these pan-Northern targets, whereas in other parts of the North the full suite of targets may not be applicable.

The table below provides a summary of the headline (2050) and interim (2030) objectives (where applicable) included as part of this Plan. A more detailed version of this list can be found in the TfN Monitoring and Evaluation Strategy⁹³.

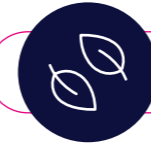
Table 6.1: STP ambitions and supporting metrics



Transforming economic performance

Medium term pan-Northern target (2030)	Long term pan-Northern target (2050)	Baseline (year)
Begin to close the productivity gap between the North and the average for the rest of England excluding London	Close the productivity gap between the North and the average for the rest of England excluding London by 2050	11% (2019) ⁴
	37% of the North's population can access 500,000 jobs by rail within 60 minutes by 2050	27% (2018) ⁹⁴
68% of the North's population can access an employment centre with at least 5,000 jobs by public transport within 30 minutes by 2030	75% of the North's population can access an employment centre with at least 5,000 jobs by public transport within 30 minutes by 2050	63% (2019) ⁹⁵
Improve overall journey time reliability compared to 2019 levels; primarily achieved through a strong emphasis on encouraging modal shift to public transport, rail and active travel	Reduce the proportion of the Strategic and Major Road Network experiencing excessively unreliable journey times during the weekday peak by 2050	Morning peak 34.8%, Evening peak 33.8% (2019) ⁷⁴
	Reduce the proportion of the Strategic and Major Road Network experiencing excessively unreliable journey times during the weekend by 2050	83% (2019) ⁷⁴

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Decarbonising surface transport

Medium term pan-Northern target (2030)	Long term pan-Northern target (2050)	Baseline (year)
56% reduction, to 11 million tonnes annually by 2030	Reduce annual Northern surface transport CO ₂ emissions to near zero by 2045	25 million tonnes (2018) ⁷¹
Share of trips made by sustainable modes (public transport and active modes) increases to 43% by 2030	Share of trips made by sustainable modes (public transport and active modes) increases to 51% by 2050	36% (2018) - Active modes 29%, Rail 1.5%, Bus and Coach 5.5% ⁹⁶
Zero overall regional increase in car and taxi vehicle mileage to 2030	Zero overall regional increase in car and taxi vehicle mileage on the North's road network to 2045 compared to 2019	61.1 billion (2019) ⁹⁷
Overall increase in rail freight mode share	Treble rail's share of freight carried to 25.5% by 2050, measured as tonne km	78.2 billion (2018) ⁸³
Uptake of public EV charging points at scale and pace across the North to support TfN's regional decarbonisation trajectory to 2045, increasing to at least 123,500 by 2030	Uptake of public EV charging points at scale and pace across the North, increasing to at least 141,000 by 2050	6400 (2022) ⁸⁰
All new major transport infrastructure development to aid local nature recovery by achieving 10% biodiversity net gain, for projects gaining approval from 2025 (in line with the Environment Act 2021)	All new major transport infrastructure development to aid local nature recovery by achieving 10% biodiversity net gain, for projects gaining approval from 2025 (in line with the Environment Act 2021 and biodiversity strategies from other transport bodies) 25 million tonnes (2018) ⁷¹	



Enhancing social inclusion and health

Medium term pan-Northern target (2030)	Long term pan-Northern target (2050)	Baseline (year)
Public Performance Measure (PPM) of at least 91.2% for both TransPennine and Northern by 2028, returning to levels last seen prior to 2018		TransPennine 87.2% (2022) ⁹⁹ Northern 84.0% (2022) ⁹⁹
Reduce the number of people in the North living in areas with a 'high' risk of TRSE by 200,000 by 2030	Reduce the number of people in the North living in areas with a 'high' risk of TRSE by 1,000,000 by 2050	TRSE 3.31 million (2019) ¹⁰⁰
Reduce the number of people in the North living in areas with a 'highest' risk of TRSE by 74,000 by 2030	Reduce the number of people in the North living in areas with a 'highest' risk of TRSE by 370,000 by 2050	TRSE 0.81 million (2019) ¹⁰⁰
Local and national road investment continues to deliver road safety improvements, including through the Safer Roads Fund, and supported by targets such as National Highways target reduction of at least 50% by the end of 2025 against the 2005-09 average baseline	Vision zero: reduce the number of people killed and seriously injured in traffic incidents to zero by 2040	Vision zero: 6,429 (2018 & 2019 average) ⁷⁸
Physical station improvements continue to be delivered as part of Network Rail's Access for All programme. By 2030, there is a plan in place to deliver the step change in physical station accessibility the North needs to meet 2050 targets.	All rail stations in the North to meet TfN's desired accessibility standards by 2050	54% (2021) ⁶⁹
Reduction in AQMAs in the North through improved air pollution levels	Eliminate the need for Air Quality Management Areas in the North announced due to NO2 or PM10 to zero by 2045 by bringing air quality within legal limits	AQMAs 132 (2022) ⁴²
Reduction in Nitrogen Dioxide exposure across the Major Road Network network in the North	Reduce to zero the proportion of the North's Major Road Network by length that exceed WHO Nitrogen Dioxide exposure limits by 2045	57% (2019) ¹⁰¹

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Interim milestones

While this Plan aims to plan for the coming decades, requiring fundamental reform and investment which will take years to design, deliver and implement, it also recognises the significant changes we need to see in the coming years including:

- The opportunity to make significant progress on local transport networks, restoring services and rebuilding the confidence of the travelling public in buses and trains. This should include the development of active travel networks as part of transforming local transport networks. Through rail reform there is the opportunity to transform how services are run for the benefit of passengers.
- Our Decarbonisation Strategy already recognises the need for urgent progress towards near zero, and there is significant progress that can be made in supporting fleet transition for passenger cars, LGVs and HGVs through providing adequate electric vehicle and hydrogen charging infrastructure.
- Rail reliability improvements, including TRU and Hope Valley line upgrades, possible to make further progress on electrification for passengers and freight. During this period, further progress on NPR will also be possible, and while full delivery is likely to take into the 2040s, initial upgrades could be delivered by the early 2030s. We can also expect places can start to benefit from the anticipation and certainty that NPR will be delivered.

This is important as it further reinforces the case that if the North is to achieve an integrated transport system fit for the future, then we need investment not just for strategic pan-Northern schemes that derive benefits in the long term but also funding to support local connectivity which will help us deliver the outcomes this Plan seeks in the short to medium term. Actions must be complementary and be planned in such a way that we have an integrated transport system.

Our action plan

A realistic plan needs to recognise what is practical in the short term, while laying the foundations for future investment and reform of the system. We will therefore follow a three-stage approach in the coming years to deliver this Plan:

→ Maximising the impact of committed investment in the North with a focus on capacity, resilience and reliability, and support the growth of travel markets crucial for economic, social and environmental transformation. At local level, we will be a positive catalyst for change, supporting authority partners with their ambitious plans for local transport networks and place making, including making available tools, evidence and support for local transport planning.

→ Communicating clear road and rail investment and policy priorities for the next two funding periods within the existing funding envelopes that can accelerate transformation in the 2020s. While some of the pan-regional schemes that are fundamental to transform the North have been referenced in this Plan, we will - with partners - provide further, more detailed advice on priority interventions, funding and investment.

→ Setting out and agreeing with government the wider roadmap for securing the longer-term investment needed at pan-regional level - including the completion of the full NPR rail network - while putting forward positive proposals for reform of transport planning and funding in the North. This includes further devolution of decision making and accountability. Initially, we expect to provide advice to government on system reform in 2024.

Consequently, there are some key actions for TfN to undertake to support the delivery of this Plan, which are set out in Table 6.2. We are now working with partners to define the specific deliverables over the short, medium and long term.

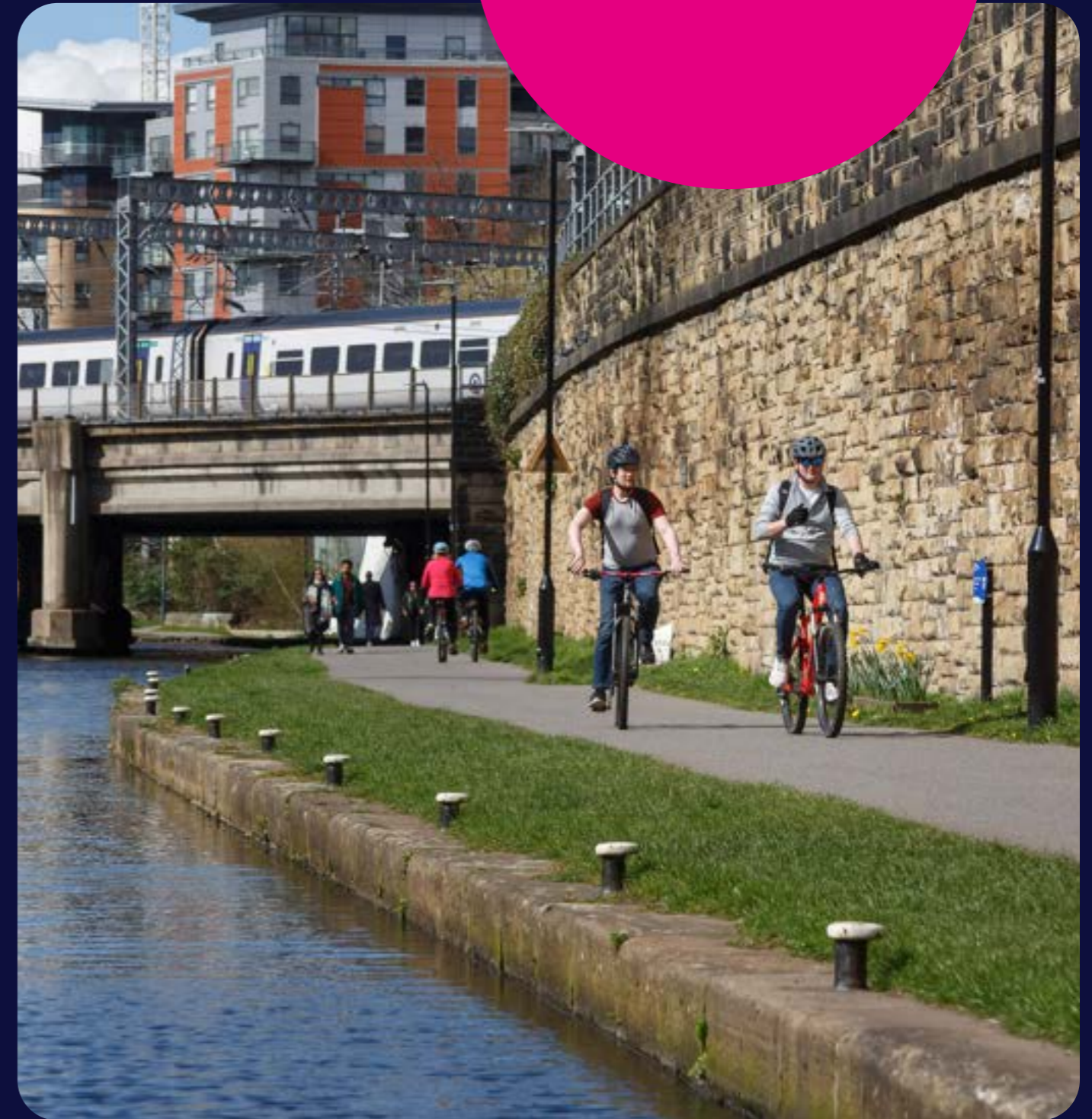




Table 6.2: TfN Required Actions

Policy Area	We will...
Decarbonisation 	<ul style="list-style-type: none"> → Reflect the need for an increasing focus on resilience and adaptation to climate change, in relation to both planned infrastructure and existing networks, within both our decarbonisation workstreams, but more generally across all our activities at TfN. → Update TfN's Decarbonisation Strategy to review our carbon baseline and decarbonisation trajectory, revisit our assumptions on zero emission vehicles. → Contribute to Northern based Nature Recovery Networks by taking advisory and promotional roles, facilitating engagement with transport operators and Infrastructure delivery bodies, and considering where appropriate in new TfN policy positions. → Continue the 'whole network, whole system' approach as set out in the EVCI Framework to foster partnerships and solutions to ensure charging infrastructure is planned and delivered in an efficient and cohesive manner across transport, energy, and spatial sectors.
Transport Related Social Exclusion 	<ul style="list-style-type: none"> → Work with partners to advocate that investment in the major roads, rail, and local public transport networks deliver reductions in transport-related social exclusion. → Develop an evidence-based pathway for reducing TRSE across the North by 2050. This will include interim targets for different area types, and analysis of the consequences of different rates of change. → Develop investment options to achieve our ambition for 2050, linked to the minimum service standards. This will include analysis of investment options across TfN's Future Travel Scenarios. → Develop minimum transport service standards. These standards will define the level of service necessary in different elements of the transport system to deliver on our ambition for 2050 across different place and population contexts.





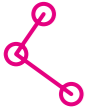
Policy Area	We will...
Rail 	<ul style="list-style-type: none"> → Work with partners to secure full delivery of the preferred NPR, completion of the TRU, and alternative proposals to deliver the outcomes that HS2 would have provided, building on the committed investment in the Government's Integrated Rail Plan and Network North. → Work with industry and DfT to secure a common set of service development proposals against which a pipeline of infrastructure investment can be more coherently developed to ensure an effective and joined-up approach across these schemes and programmes. → Actively work with partners to bring all stations in the North up to minimum suggested standards as quickly as possible and meeting desirable standards by 2050. → Use the Rail North Partnership to rebuild the confidence of rail passengers in the North's rail services, promote further strong growth in patronage and ensure the next generation of passenger service contracts can meet the needs of the North's communities and businesses.
Roads 	<ul style="list-style-type: none"> → Work with National Highways and DfT on making the case for improvements to the SRN delivered through the Road Investment Strategy programme. → For the SRN, MRN and local roads we will work with government, National Highways, our partner local authorities to develop a robust evidence base underpinning recommendations and TfN support for targeted investment in roads. This includes recommended investment in electric vehicle charging and hydrogen refuelling infrastructure, improved infrastructure for active travel and public transport, new digital technologies enhancing customer experience, and freight Interchanges. We will also continue to seek investment for road safety measures and highway schemes opening up major new developments in housing and employment. Our focus being on how road investment contributes to TfN's ambitions for substantially improved economic, social and environmental outcomes.

Table 6.2: TfN Required Actions

Policy Area	We will...
Freight and Logistics 	<ul style="list-style-type: none"> → Develop our freight appraisal/modelling capabilities and tools within the TfN Analytical Framework to support the case for investment in freight and logistics. → Develop and strengthen key stakeholder relationships, including opportunities for collaboration on data and modelling, sharing evidence to strengthen the case for investment/policy asks, and prioritising key schemes for investment. → Provide 'thought leadership' on new/emerging areas relevant to freight and logistics policy, such as SFRIs, to support partners and provide advice to government as necessary.
Connected Mobility 	<ul style="list-style-type: none"> → Develop a Programme of work, targeted interventions and policy positions with partners and government that realises the 30 strategic outcomes defined by the Connected Mobility Strategy. → Embed a systems-wide approach to the use of data and standardised systems in delivering integrations and innovation across geographic boundaries, across modal silos and to encourage more holistic and affordable journey provision for passengers.
Local Connectivity 	<ul style="list-style-type: none"> → Utilise our extensive pan-Northern evidence base to provide localised evidence to Partners to support the planning and delivery of LTPs that improve social outcomes, inclusion, equality, and decarbonisation. → Proactively work with Active Travel England, DfT and local authority Partners to secure investment to enhance the provision, accessibility, and safety of active modes to deliver modal shift, including opportunities through strategic active travel corridors. → Enhance TfN's rural evidence base and analytics to better support the case for local connectivity investment within rural communities, enabling our local partners to progress applicable interventions and solutions. → Undertake further work to build the evidence base on the affordability of transport and work with our partners to explore options for developing a suitable policy position if necessary.

Policy Area	We will...
Buses 	<ul style="list-style-type: none"> → Support partners to improve bus journey times, frequency and reliability, by making use of any powers included in the Bus Services Act 2017 through the implementation of Bus Service Improvement Plans, using our analytical capabilities to deliver bespoke support to different typologies. → Develop targeted policy advice that collates evidence on and considers what is required to increase patronage across the North.
International Connectivity 	<ul style="list-style-type: none"> → Proactively influence Government to encourage a greater use of the North's airport capacity, within a national aviation carbon budget approach consistent with CCC recommendations. → Continue to work with the Northern airports and ports to identify and support connectivity needs where appropriate.

Delivering our connectivity needs sustainably

In delivering transport interventions, we proactively encourage delivery authorities to avoid and mitigate any significant local environmental or social effects in line with the principles set out within the Government’s planning guidance and ensuring consistency with the Green House Gas trajectory required to achieve net zero. The new strategic infrastructure investment required within the strategic development corridors also provides opportunities to enhance our wider environment. That means improving local air and water quality, and reducing noise, vibration and light pollution. We will also need to manage change within those parts of our transport infrastructure that form part of our historic environment so that they can be adapted and used to respond to society’s needs whilst retaining their value as heritage assets. We already have some great examples in the North, such as the revitalisation of Hull Paragon Interchange and the renewal of Preston Bus Station.

Investment in infrastructure also allows us to respond to the requirement to achieve Biodiversity Net Gain. Delivery agencies have already set targets for achieving Biodiversity Net Gain and effective implementation will promote sustainable infrastructure development. It is important to embrace lessons learnt from past infrastructure development, and ensure that the measures that enhance aspects of our environment are not lost through value engineering processes. Our linear transport infrastructure, both existing and proposed can play a vital part in supporting and enhancing our partners’ Local Nature Recovery Strategies and in complementing our decarbonisation ambitions through



the development of nature-based solutions for climate change mitigation and increased infrastructure resilience, for example, through working with local stakeholders to support Nature North’s ‘Green Northern Connections’ investable proposition¹⁰². The amount of embodied carbon associated with the construction and maintenance of transport infrastructure needs to be an important consideration within scheme appraisal and developing techniques and materials to minimise it will need to be a key area of action for delivery authorities.

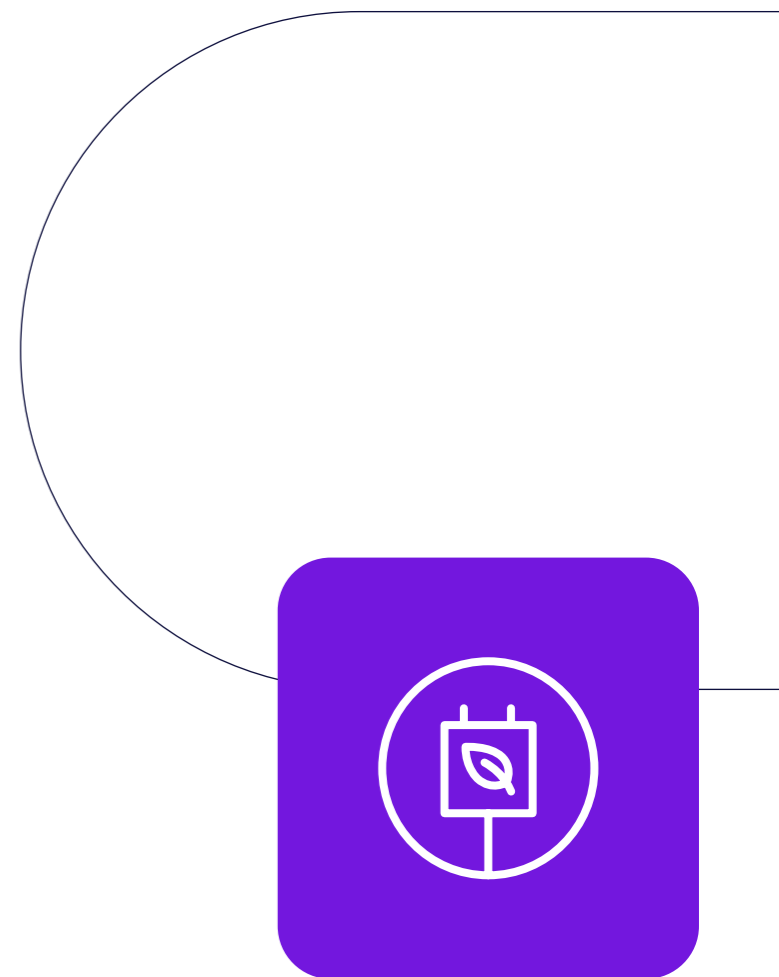
TfN’s participation in a Decarbon8 study into embodied emissions associated with the multimodal corridors proposed our SDCs, demonstrated the difficulty and resource intensiveness of calculating the likely embodied carbon footprint of major infrastructure developments at a conceptual level of design or when the scheduled design and construction of the infrastructure is many years or decades in the future¹⁰³.

Delivery authorities have the core responsibility for working towards low and ultimately zero carbon scheme delivery. National Highways has adopted a 2040 net zero for maintenance and construction emissions target and was accredited with **Publicly Available Specification (PAS) 2080 ‘Carbon Management in Infrastructure’** in December 2022¹⁰⁴. As part of these commitments, National Highways has published net zero road maps for materials (concrete, steel, and asphalt) and a ‘Low Carbon Opportunities’ register for low carbon material and delivery options, along with their applicability to the SRN and commercial viability. The register will be linked with National Highways’ innovation projects and supplier carbon returns to form a best practice repository that suppliers can both input to and learn from.

While there will be a need for new

infrastructure and new services, delivery authorities and service providers will also need to consider how to minimise the use of natural resources for construction and maintenance activities. Where possible, they should look to achieve policy priorities through the re-use and upgrading of existing infrastructure and vehicles, alongside using recycled materials and reducing fuel usage.

TfN will work with delivery authorities, facilitating knowledge sharing and best practice, and continue to raise embodied infrastructure carbon as a core issue with government.



Reform required to deliver a systems approach

Tackling the transport challenges in the North will also require considerable reform of the transport system, and while significant progress has been made by TfN, government, and our partners since 2015, there is more to do. Recognising that transport alone will not achieve our collective vision, we need to work with a range of partners to find appropriate solutions and overcome barriers to delivery.

To meet government policy priorities, transport investment, must therefore be grounded in delivery of strategic outcomes and not predicated on more easily monetised **Benefit Cost Ratio (BCR)** calculations based on a narrow ‘predict and provide’ model of how to adapt to traffic growth. To achieve this there is an urgent need for the simplification of funding streams, thereby removing cost and inertia from the delivery of investment, as well as greater flexibility in the application of the funding available, to ensure that it is targeted towards the delivery of outcomes. The evidence base assembled within this Plan demonstrates how investment in the North’s infrastructure contributes to achieving strategic outcomes on reducing carbon emissions, improving health and achieving sustainable economic growth. This will require, at a minimum, alignment of decision making in transport investment with that in energy systems and digital connectivity.

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Further, the economic scenarios to refresh the NPIER also indicate that to fully achieve the potential of the North investment in other areas of public sector policy (including education, health services and R&D) needs to be aligned with investment in infrastructure.

The NPIER shows that in the transformational growth scenario, the Government’s investment would be recovered through additional tax revenues from higher growth in the North, and lower spending on health intervention and welfare funding by 2050. The scenarios also detail how private sector investment would be incentivised by a consistent long-term public-sector approach to policy and investment.

Fundamentally, to achieve the strategic ambitions for the North there is a need for targeted investment in transport, as identified in this Plan, combined with complementary policy and investment focused on education, health and on supporting key sectors of the economy.

As set out in our **Northern Transport Charter (NTC)**, it is clear there is consensus across the North of England about what is required to create a long-term funding settlement and pipeline for the North of England, based on three **fundamental building blocks**:

- The ability to put together long-term multimodal investment pipelines and integrate with mode specific delivery programmes.
- Funding arrangements that can look across modes and take a programme approach with certainty about the longer term.
- An investment and decision-making framework that works for the North.

The NTC identified the need for an appraisal system that works for the North. Investment in the North of England (and other regions) has been constrained by a government appraisal and decision-making process that fails to reflect the wider economic, social, and environmental objectives which TfN was established to deliver.

The Government has revised the Green Book to put strategic objectives at the heart of decision making and place greater weight on wider evidence within appraisal. While this represents a positive, significant shift in approach, we have yet to see the new Green Book translate into investment decision-making. A bespoke Northern approach, which recognises the different policy drivers in our region compared to London and the South East is still required. We need to ensure that the full environmental, economic, and social benefits of transport investment are reflected in decision making.



TfN's Analytical Framework provides unique tools and models that fully represent the economic and environmental benefits from investing in the North's economy. This includes mechanisms to better represent social and distributional impacts of transport investment. Critically this provides us and government with the capability to undertake the weighted, multicriteria approach and to deploy the Analytical Framework systematically across the transport appraisal process, business case development, assurance frameworks and scheme prioritisation. This is fundamental to TfN's core focus of establishing a new and different approach to investment decision making and delivering better outcomes.

Change will take time to realise but is urgent - driven fundamentally by the legal obligation to decarbonise our transport system. A realistic plan needs to recognise what is practical in the short term (including the likely constraints on spending in the next Parliament), while laying the foundations for further investment and reform of the system.

This activity will ensure we can accelerate and bring forward the critical investment and policy changes needed to deliver the intermediate objectives and metrics in this Plan. Through our short and medium-term activities to start investment flowing, we can then start to see the foundations of market growth and increased patronage and revenues, mode shift and decarbonisation consistent with the ultimate delivery of our 2050 vision and strategic ambitions.

The evidence presented in this Plan makes the case that system reform is needed if we are to deliver an integrated transport system fit for the future.

To achieve this there is an urgent need for the simplification of funding for local and regional transport, building on City Region Sustainable Transport Settlements, Local Transport Fund allocations and Single Settlements. To achieve the Government's legal net zero commitments and to address the challenges of social exclusion within the North, we need to be able to bring policy makers across disciplines together to find innovative solutions, pooling expertise and funding streams to deliver meaningful change at scale and pace. The NIC has recommended the need for greater certainty of local government budgets including local transport authorities. A 'five year plus five year' settlement for LTAs would remove cost and inertia from the delivery of investment, as well as greater flexibility in the application of the funding available, to ensure that it is targeted towards the delivery of outcomes.

TfN also recommends that a similar indicative funding envelope for pan regional and nationally significant transport infrastructure should be established, within which statutory advice on infrastructure and service priorities is then prepared. Regional funding envelopes should then be linked directly to the advice of the NIC. This Plan provides the basis for us to provide our advice to the Government on both the need for investment and the prioritisation of available funds.

Indicative funding envelopes accompanied by longer term notional envelopes and built into existing regulatory and statutory processes, would bring significant opportunities to accelerate decision making, reduce uncertainty and avoid duplication of effort at national, regional and local level. This will:

- Enable TfN to make clear recommendations to the Government about the long-term capital and revenue requirements for pan-regional and nationally significant transport infrastructure and services of the North, all with a clearer line of sight back to the relevant government funding streams. This would complement wider approaches to local and third-party contributions to infrastructure funding, with TfN working with the private sector to maximise the leverage achievable through public sector investment.
- Allow TfN to promote a programmatic whole network approach to considering options for future transport investment at the pan-regional level, and to support wider long-term planning of energy, digital and housing needs.
- From an industry perspective, increase certainty and confidence in a sustainable pipeline, reducing costs, attracting talent and skills and speeding up delivery.
- Perhaps most importantly, it would enable our local partners and wider authorities to plan and deliver effective place-based solutions, moving away from the expensive, multiple competitive bidding processes frequently identified as a barrier to change.

TfN is not prefixed to the mechanisms to achieve the reforms needed, rather we commit to continuing to work with the Government and our local partners to make the case for devolved/combined funding points that break down the silos that act as a barrier to delivery of our outcomes. Recognising that to deliver different outcomes we need the mechanisms, funding and powers to do things differently.

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Transport for the North - Strategic Transport Plan 2

Integrated Sustainability Appraisal 2

Post Consultation Non-Technical Summary

Reference: V2

V2 | January 2024



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1. Introduction

1.1 Purpose of this summary

This Report summarises the Integrated Sustainability Appraisal (ISA2), which identifies the likely sustainability impacts of implementing the Strategic Transport Plan 2 (STP2). STP2 has been produced by Transport for the North (TfN). The ISA2 has been independently produced by Ove Arup and Partners (Arup).

This non-technical summary has been revised following the consultation on the STP2 to take into account feedback received during the consultation. This revised summary is to aid in the understanding of the Integrated Assessment (IA) process undertaken to support the development of the STP2. Consultation responses raised that ISA2 documents were complex and technical. Therefore, this post consultation summary uses the same information within the previous non-technical summary, however explanations have been summarised in a different format to help understanding of ISA2. The content and results of the assessment have not changed, it is only the format in which this is presented that has changed. A list of changes between the non-technical summary issued for consultation and this post-consultation summary can be found in Appendix A.

1.2 What is the role of TfN?

TfN became England's first statutory sub-national transport body in April 2018. As a partnership, TfN brings the North's 21 local transport authorities and Local Enterprise Partnership (LEP) business leaders together with Network Rail, Highways England, and HS2 Ltd, while working closely with central government. STP2 sets out, on behalf of the North of England, the strategic ambitions and priorities for transport in the North.

1.3 The Strategic Transport Plan 2

Following public consultation, the first Strategic Transport Plan (STP1) was adopted in 2019. Since the publication of STP1, TfN has continued to evolve its evidence base. Therefore, TfN now want to develop a second strategic transport plan. To support and shape STP2, TfN proposed three Strategic Ambitions. These are:

- Transforming Economic Performance
- Rapid Decarbonisation of Surface Transport
- Enhancing Social Inclusion and Health

STP2 has been created around four ‘building blocks’ to ensure that its evidence base is robustly and comprehensively set out. These are:

- The Case - Setting out the case for change, summarising the evidence headlines and setting the scene for the STP, including the principles of the ‘Sustainability Stool’.
- The Vision - Setting out TfN’s overarching vision for transport in the North of England, supported by three strategic ambitions.
- TfN’s Strategy for the North’s Transport System - TfN’s overarching strategy and priorities for rail, the road network, freight and international connectivity, and local connectivity.
- Action and Impact Framework - Setting out the role and responsibilities of TfN, its action plan and how it will measure its impact.

Following consultation and TfN approval, the plan is to be adopted in December 2023.

2. ISA2 Methodology

2.1 Purpose of the ISA2

The ISA2 supports the development of the Plan. The ISA2 aim is to promote sustainable development, health and equality, social, environment and economic considerations within the Plan. The ISA2 and Plan have progressed together, allowing recommendations from the ISA2 to be included as the Plan has developed.

The ISA2 meets the requirements of:

- Strategic Environmental Assessment (SEA) in accordance with the Environmental Assessment of Plans and Programmes Regulations 2004 (SI 2004/ 1633, “2004 Regulations” as amended).
- Sustainability Appraisal (SA) (as required by section 19 (5) of the Planning and Compulsory Purchase Act 2004).
- Equality Impact Assessment (EqIA) (as required by section 149 of the Equality Act 2010, as amended).
- Health Impact Assessment (HIA) (as outlined by national government policy).

Further information in relation to the requirements of the above can be found in the ISA2 Main Report.

A Habitat Regulations Assessment (HRA) has been completed, as required under Regulation 48 of the Conservation (Natural Habitats, &c.) Regulations 1994 (SI 1994/ 2716, “1994 Regulations”, as amended). The relevant scoping and assessment can be found within the HRA Stage 1 and Stage 2 Report.

2.2 Reporting and consultation as part of the ISA2

Consultation is a key part of the IA process. Consultation completed to date has been on the ISA2 Scoping Report. The Scoping Report was shared with statutory consultation authorities and other relevant stakeholders in 2022. Following the consultation, all feedback was considered and the Scoping Report was updated based on consultation responses.

Consultation responses received as part of this Plan consultation have been considered and actioned. Changes resulting from the consultation are summarised in Appendix F of the ISA2 Main Report. All documents relating to the ISA2 were published as part of the Plan consultation.

2.3 ISA2 Stages

The ISA2 process follows the standard Integrated Assessment (IA) stages. We are currently within Stage D of the process.

Table 1: IA Stages

Stages	Overview
Stage A	This scoping stage is to set the context for the assessment which includes a review of relevant plans, programmes and strategies; collection, analysis and summarisation of current and future baseline data; identification of key issues and opportunities for the North; refinement of ISA objectives; preparation of the scoping report and consultation with statutory bodies and relevant organisations.
Stage B	This assessment stage is to consider the proposed policy options and assess their effects, using the framework developed in stage A including assessing the vision and objectives of the Plan and reasonable alternatives, identifying mitigation measures, explaining why the preferred policy options were taken and to propose monitoring measures for the policies.
Stage C	This reporting stage involved preparing the IA report which explains Stage B.
Stage D	This consultation stage involves consulting of the proposed Plan (STP2) and associated IA, with feedback from the consultation considered and appropriately actioned.
Stage E	The post-adoption stage will involve the creation of the Post Adoption Statement following the adoption of the Plan. The statement will include an explanation of how the IA report and consultation responses have been considered, how reasonable alternatives have been evaluated and the reasons for choosing the plan as adopted and the monitoring measures in place to track the effects of the implementation of the plan.

2.4 ISA2 Assessment Methodology

To undertake the IA stages above, the IA uses an ‘assessment framework’ against which to challenge and test the emerging Plan. The IA Framework is used to identify the likely social,

economic and environmental effects of the Plan, recommend ways of avoiding or reducing any negative impacts, but importantly, also recommending ways to further enhance the policy.

This framework of objectives is created as part of stage A. The ISA2 has 16 objectives covering sustainable development, health and equality, social, environment and economic topics. These objectives are bespoke for this Plan. Each objective has assessment criteria which help the assessment team to decide if the Plan policies meet the objective. The objectives are outlined here:

1. Reduce greenhouse gas emissions from surface transport in the North
2. Minimise embedded emissions from the development of new transport infrastructure and the maintenance of existing infrastructure
3. Protect and enhance the biodiversity, geodiversity and the green infrastructure network
4. Conserve and enhance internationally designated environment sites
5. Protect and enhance local air quality
6. Increase resilience of the transport network to extreme weather events and a changing climate
7. Protect and enhance the blue infrastructure network including inland and coastal water environments
8. Protect and conserve soil and remediate and avoid land contamination
9. Support the conservation and enhancement of the quality and distinctiveness of historic assets, industrial and cultural heritage and their settings
10. Protect and enhance the character and quality of landscapes and townscapes
11. Promote the prudent use of natural resources, minimise the production of waste and support the re-use and recycling of materials
12. Enhance long term economic prosperity and promote a clean and green economic transformation
13. Coordinate land use and strategic transport planning across the region
14. Promote greater equality of opportunity for all citizens and reduce Transport Related Social Exclusion (TRSE), particularly for the North's most vulnerable groups.
15. Improve the health and wellbeing for all citizens and reduce inequalities in health

16. Promote community safety and reduce crime and the fear of crime for all citizens

The STP2 has been assessed against these ISA2 objectives to understand their effects on these sustainability aspects. We’ve assessed the strategic ambitions, the plan policies and reasonable alternatives to the Plan. This has been completed as part of stage B.

Each objective and policy is assessed for the effect it has against each objective. It is scored by following Table 2 below.

Table 2: ISA2 Assessment Outcomes

+++	Largely Beneficial
++	Moderate Beneficial
+	Slightly Beneficial
0	Neutral
-	Slightly Adverse
--	Moderate Adverse
---	Strongly Adverse
?	Uncertain
+/-	Combination

Combined symbols are sometimes used in the assessment (e.g. ‘+ / ?’ or ‘- / ?’). This happens because there is a strong likelihood of both positive and negative effects for example, but that there is not enough information to know for certainty at this stage. Alternatively, there may be a combination of positive or negative effects, depending on how the policy is delivered.

The assessment also seeks to identify if the likely effects are direct, indirect, temporary and/or permanent. The assessment also considers whether the effect will be a local or on a regional scale. Where applicable, a description of what could be affected is also given, along with any cumulative, secondary or synergistic effects which might occur. When thinking about the effect of the thematic policies (such as road or rail for example), the types of effects a policy could have are also considered over the short-, medium- and long-term.

The Plan’s strategic ambitions, called objectives within this assessment, were assessed with different assessment outcomes; ‘Potential Conflict’, ‘Dependent Upon Nature of Implementation

Measures’, ‘Broadly Compatible’ and ‘Not Relevant’. This was because the ISA2 needed to test their compatibility with the ISA2 Objectives.

Further information regarding the methodology used as part of the ISA2, is included within the ISA Main Report within Section 2

3. Assessment Results

3.1 Compatibility Assessment

Four assessments on the STP2's strategic ambitions, called 'objectives' within this assessment, have been undertaken in November 2022, January 2023, March 2023 and January 2024 as the Plan developed. The Plan has 3 objectives:

- Transforming Economic Performance.
- Rapid Decarbonisation of Surface Transport.
- Reducing Transport Related Social Exclusion, which changed to Enhancing Social Inclusion and Health in March 2023

The January 2024 assessment followed changes made to the Plan after the public consultation. The reassessment found that there were no STP2 Plan objectives scored with a 'Potential Conflict' against the ISA2 objectives. Following changes in wording within Objective 1, the Objective improved its score from 'Dependent Upon Nature of Implementation Measures' to 'Broadly Compatible' compared with the March 2023 assessment against ISA2 Objective 5 (protecting and enhancing air quality). Objectives 2 and 3 also had wording changed however they were found to score the same as in March 2023.

Therefore, the assessment found that the plan's objectives provide a strong basis to help ensure that the sustainability performance of the plan can be maximised.

Information on the three previous assessments and more information about this assessment can be found in the ISA2 Main Report.

3.2 Assessment of Alternatives

TfN identified three reasonable alternative scenarios. The alternative scenarios were developed through the development and implementation of STP1 and informed by the ongoing evidence base work TfN are undertaking. The ISA2 provides an assessment of each alternative against the ISA2 objectives and helps to enhance the transparency of the decision-making process, as part of the development of the STP2.

In light of consultation feedback, in January 2024, we revisited how the previous scoring against ISA objectives 1,9 and 13, had been applied.

The result of this assessment in January 2024, was:

- an amendment improving the scoring for Local Modal Shift Max scenario against ISA2 objective 1;
- an amendment reducing the scoring for Continuation of STP1 scenario against ISA2 objective 9;
- an amendment reducing the scoring for Balanced scenario against ISA2 objective 9;
- an amendment to the scoring for Local Modal Shift Max scenario from ‘neutral/uncertain’ to ‘uncertain’ against ISA2 objective 9;
- amendment in relation to objective 13, reducing scoring for the Balanced scenario; and
- amendment in relation to objective 13, improving scoring for the Local Modal Shift Max scenario.

Considering these changes to the assessment scores, the overall conclusion of the alternatives assessment remained consistent with previous iterations of assessment in finding that the ‘Balanced Scenario’ performed the best overall across the ISA2 Objectives. The ‘Continuation of STP1 Scenario’ performed well against the ISA2 Objectives, with a slight, moderate or largely beneficial impact against seven objectives. The Local Modal Shift Max Scenario scored similarly to the Continuation of STP1 Scenario, albeit with strengths in different areas. Across all three scenarios, it will be key to ensure any adverse effects are reduced and beneficial effects are enhanced where possible through the carefully considered and identified mitigation measures.

It is not the purpose of the ISA2 to decide which alternative scenario should be pursued. This is the responsibility of TfN who have considered the preferred, most appropriate strategy to be taken forward. More information on the reasonable alternatives assessment can be found in the ISA2 Main Report.

3.3 Assessment of the STP2’s Policies

Four assessments on the Plan’s policies have been undertaken in November 2022, January 2023, March 2023 and January 2024 as the plan developed. The March 2023 assessment and January 2024 assessment, assessed the four thematic policies included in the Plan:

- Rail
- Road
- Freight and Logistics
- Local Connectivity

The policies performed well against the ISA2 objectives in the March 2023 and January 2024 assessments. The policies scored well in terms of reducing greenhouse gas emissions and protecting

local air quality; enhancing long term economic prosperity; and promoting inclusive and safe environments for all, which support the three overarching ambitions of STP2.

The January 2024 assessment found changes to ISA2 objectives 1, 2, 5, 6, 7, 13, 14, 15 and 16 across the Thematic Policies which improved the policies performance since the March 2023 assessment. For example, the Road Thematic Policy improved from ‘Slightly Beneficial’ to ‘Largely Beneficial’ on the short-term timeframe due to policy wording being added which provides greater explicit references to alternative fuels, impacting on reduction of greenhouse gas emissions.

However, the March 2023 and January 2024 assessment findings also found areas of uncertainty surrounding avoiding land contamination conserving and enhancing historic assets, landscapes and townscapes. The January 2024 found one change to ISA2 objective 12 (enhancing long term economic prosperity), which reduced the ‘Rail’ policy performance since the March 2023 assessment. This assessment outcome reduced from ‘Largely Beneficial’ to ‘Moderately Beneficial’ in the long-term timeframe due to changes in the within the policy wording to reflect the recent cancellation of the HS2 rail link to the North of England. These wording changes make the policy less specific and therefore the ISA can be less certain about the extent to which the ISA objective will be met in the long-term. However, the overall assessment score for the policy remains ‘Moderate Beneficial’ across short, medium and long-term timescales in supporting long term economic prosperity for the North of England. No further recommendations were identified following this change.

Table 3 summarises the findings of the January 2024 assessment of thematic policies against each ISA2 objective.

The March 2023 assessment found a number of strengths in the Policy and Places Framework when assessed against the ISA2 objectives. The policies scored well in terms of reducing greenhouse gas emissions and protecting local air quality; enhancing long term economic prosperity; and promoting inclusive and safe environments for all which support the three overarching ambitions of Plan. The Policy and Places Framework also scores strongly against protecting and enhancing blue and green infrastructure, conserving and enhancing historic assets, landscapes and townscapes.

The assessment also found areas of uncertainty or only slightly beneficial impacts across the Policy and Places Framework. The Policy and Places Framework relates to distinct place types, therefore whilst certain policies did not perform strongly it was not considered proportionate to amend the policy wording where it had instead been addressed elsewhere, at a higher level, within the Plan. Therefore, mitigation was not identified where it potential weaknesses were felt to be addressed

when the Plan was read as a whole. Table 4 summarises the findings of the assessment of the Policy and Places Framework policies against each ISA2 objective. These policies were not assessed in January 2024 as only a minor level of changes were made to the policy wording within the Plan as a result of the consultation, and those changes did not materially affect or impact on the ISA objectives.

It should be noted that some of the recommended actions across both the thematic policies and the Policy and Places Framework to address these identified uncertainties would need to be considered at the design stage or project level and therefore led by delivery authorities. For this reason, it was felt this information did not need to be included within the Plan. This is because TfN would work with and influence the delivery authorities to minimise the adverse environmental and social impacts, as outlined within the Action and Impact Framework.

Therefore, when the plan is read as a whole, the STP2 provides a firm basis for future transport planning for the North. Information on the two previous assessments and more information about this assessment can be found in the ISA2 Main Report.

For reference, the ISA2 Assessment Outcomes Key from Table 2 is re-created here to help review Tables 3 and 4.

+++	Largely Beneficial
++	Moderate Beneficial
+	Slightly Beneficial
0	Neutral
-	Slightly Adverse
--	Moderate Adverse
---	Strongly Adverse
?	Uncertain
+/-	Combination

Table 3: Summary of assessment scores for the STP2 Thematic Policies (January 2024)

Thematic Policies	ISA2 Framework Objectives																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14a	14b	14c	15a	15b	16a	16b
Rail	+++	+/?	+/?	+/?	+++	+	0/?	0/?	0/?	+	++	++	++	+++	+++	+++	++	+++	++	+++
Roads	+++	++	++	0	++	+++	+	0/?	0/?	+	+	++	++	++	+	++	++	++	++	++
Freight and International Connectivity	+++	+++	+/?	+/?	+++	++	+	0/?	0/?	+	++	++	++	++	++	++	++	+++	++	++
Local Connectivity	++	++	+	?	+	+	0	0	0	+	+	+++	++	++	++	++	++	++	++	+

Table 4: Summary of assessment scores for the STP2 Policy and Place Framework (March 2023)

Policy and Place Framework	ISA2 Framework Objectives																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14a	14b	14c	15a	15b	16a	16b	
Commuter Towns	+++	++	++	+	++	++	++	0/?	+/?	+	+	++	++	++	+++	++	++	+	+	+	
Large Conurbations	+++	++	++	++	+++	+++	++	0/?	+++	+++	+	+++	+++	+++	+++	+++	+++	+++	+++	++	++
Rural Villages & Dispersed	+++	++	+/?	+	++	+	0	0/?	+	+	+	++	++	++	+++	++	++	++	++	++	++
Rural Town and Fringe	+++	++	++	+	+++	++	++	0/?	++	++	+	++	++	++	++	++	++	++	++	++	++
Transformational Places	+++	++	+	+	+++	++	0/?	+/?	0/?	+	+	+++	++	++	++	++	+	+++	++	0/?	
Other Urban	++	++	++	++	+++	++	++	+	+++	+++	+	++	++	++	++	++	++	++	++	++	++
Visitor Destinations	+++	+	++	++	+++	++	+	0/?	++	++	+/?	++	++	++	++	++	++	++	++	++	++
Former Metropolitan Counties	+++	+	+	+	+++	+	0/?	0/?	+/?	+/?	+/?	+++	++	++	+	++	++	+	++	++	
Industrial Places	+++	++	++	+	++	++	++	0/?	+++	+	+	+++	+++	++	+	++	++	+	++	+	

4. Cumulative, Synergistic and Indirect Effects

The ISA2 has considered cumulative, synergistic and indirect effects, as explained within Section 2 of this summary. These are defined as:

- Indirect effects are not a direct result of the plan but occur as a result of actions. An example of this would be development that changes a water table, therefore affecting the ecology of a nearby wetland.
- Cumulative effects are where several insignificant individual effects have a combined significant effect. An example of this would be noise or dust pollution from multiple new developments.
- Synergistic effects are where a total effect is greater than the sum of the individual effects. An example of this would be a wildlife habitat becoming progressively fragmented with limited effects on a particular species until the last fragmentation makes the areas too small to support the species.

Overall, 11 effects from the Plan were identified as part of the ISA2 and these vary across environmental, social and economic effects. For example, a mix of cumulative positive and negative effects would likely be had on biodiversity across the North from the Plan and intentions derived from it. The use of land for new infrastructure, for example, for transport infrastructure, commercial uses and housing could result in habitat degradation, loss or fragmentation. However, positive effects are anticipated following the introduction of the Environment Act (2021) with the 10% BNG requirement and Local Nature Recovery Strategies.

Another example, is potential cumulative effects upon historic assets across the North. It would be likely that a mix of negative and positive effects on historic assets, industrial and cultural heritage and their settings would likely be had across the North from the Plan and intentions derived from it. Better integrated and more accessible sustainable transport modes could improve access to heritage sites, however changes to transport infrastructure could have potential negative effect on the integrity and setting of heritage assets that form part of the transport network without appropriate mitigation measures.

The completed list of identified effects are explained in more detail in the ISA2 Main Report within Section 10.

5. Mitigation

As part of the assessment, mitigation and enhancement has been suggested to strengthen the performance of the STP2 against the ISA2 objectives. Mitigation is where recommendations have been made to reduce negative effects. Enhancement is where recommendations have been made to improve positive effects further. A summary of the most commonly recommended enhancement and mitigation measures given for the Plan to help further enhance the positive effects of the STP2, is listed below. The complete list of identified mitigation measures are explained in more detail in the ISA2 Main Report within Section 11.

- Measures could be taken to reduce the amount of carbon from the North's transport system. This could be enhanced by prioritising in policy, Climate Change mitigation and adaptation measures in the development of new, or improvements to existing transport infrastructure.
- There could be a greater consideration of using innovative low carbon construction materials and techniques for the development of new, or improvement of existing, transport infrastructure as well as for maintenance activities
- More complex measures could be considered to support ecological connectivity such as animal over or under passes on the road network, the development of wildflower meadows along linear features such as roads and railway lines or the active control of invasive species
- There could be greater consideration within projects to the conservation and enhancement measures of internationally designated environment sites, particularly those designated as SSSI or Natura 2000.
- There could be greater consideration to increase the understanding of the transport systems vulnerability to climate change effects, as well as to encourage adaptive management and design to respond to uncertain climatic effects.
- Further consideration could be given to the use of nature-based solutions to protect the blue infrastructure network, including aquatic habitats.
- Further opportunities could be taken to utilise areas of previously developed land and to remediate contaminated land when possible.
- Further opportunities could be taken to support supporting improved access to historic or culturally important sites by sustainable transport modes.

- The design, construction, repair and maintenance of transport infrastructure could be encouraged further to respect and enhance where possible the landscape character and townscapes of the north of England.
- Greater consideration could be given to ensuring that new or upgraded infrastructure is resource efficient and encouraging the use of recycled materials, local suppliers and locally produced materials in construction.
- Greater consideration could be given to supporting the development of connected communities and coordinating public transport infrastructure with the future development of employment and housing within 15/20-minute neighbourhoods to enable coordinated strategic planning across the plan area.
- Greater consideration could be given to reducing emissions and other aspects such as noise pollution and vibration dust which potentially effect health and well-being.
- Further opportunities could be taken to support of natural surveillance and to reducing the potential for accidents and collisions involving wildlife.

6. Monitoring

Monitoring of the STP2 will be commenced once the Plan is adopted. This is currently planned for March 2024. This in accordance with the SEA Directive and Regulation 17 of The Environmental Assessment of Plans and Programmes Regulations 2004. It requires the organisation who created and adopted the Plan, in this case TfN, to monitor how it is implemented to identify any unforeseen effects and to take action to resolve these effects.

Monitoring for the Plan will cover social, environmental and economic effects and it will include indicators that will enable the link between the implementation of the Plan and the likely significant effects (both positive and negative) to be monitored. A bespoke monitoring framework has also been developed to specifically monitor those effects relevant to the ISA2 objectives. The monitoring framework is outlined in Section 12 of the Main ISA2 report. The monitoring arrangements will also be set out in a Post-Adoption Statement after the plan is adopted.

7. Conclusion

This non-technical summary describes the process and the findings of the ISA. This document has been revised following the consultation on the STP2 to take into account feedback received during the consultation. This revised summary is to aid in the understanding of the ISA process undertaken to support the development of the STP2.

Overall, the ISA2 process undertaken has positively influenced the development of the Plan and strengthened its sustainability performance. The Plan performs strongly against a number of ISA2 objectives, specifically: reducing greenhouse gas emissions and protecting local air quality; enhancing long term economic prosperity; and promoting inclusive and safe environmental for all. Although to a lesser extent, the Plan has also been found to have likely beneficial effects on objectives relating to: protecting and enhancing blue and green infrastructure, and conserving and enhancing historic assets, landscapes, and townscapes.

It is important to note however, that there remains areas of uncertainty or only slightly beneficial impacts relating to avoiding land contamination and promoting the prudent use of natural resources. In relation to these areas, the level of detail that could be addressed by the Plan was limited, and it was not considered proportionate to include a project design detail within the Plan policies. The areas of uncertainty should be addressed at a project level by delivery authorities. Despite this, it is considered that this plan would have a strong, positive influence on the North's transport network across environmental, economic, societal and health indicators and provides a firm basis for future transport planning for the North.

Following the Plan consultation held in Summer 2023, consultee comments have been considered and where appropriate, changes made to the ISA2. These changes, along with TfN's response to the consultee comments are documented within Appendix F. The next stage is to adopt the plan, which is planned for March 2023. Once the plan is adopted by TfN, a post-adoption statement will be written as part of stage E of the IA process. The purpose of the post-adoption statement is to set out how the IA report and consultation responses have been considered, how reasonable alternatives have been evaluated and the reasons for choosing the plan as adopted and the monitoring measures in place to track the effects of the implementation of the plan.

A.1 Changes made to the Post-Consultation Non-Technical Summary

Text added = underlined

Text removed = Strikethrough

STRATEGIC TRANSPORT PLAN CONSULTATION SUMMARY

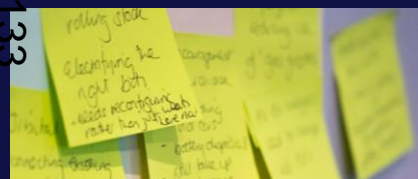
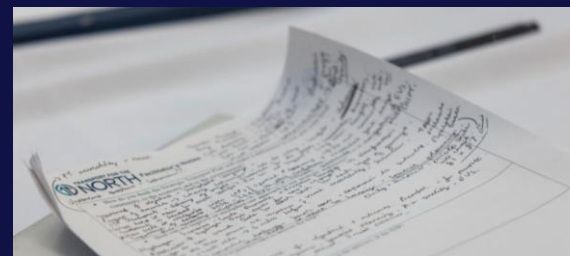
February 2024

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Strategic Transport Plan

Draft for consultation
May 2023



Introduction

Established in 2018, our statutory role (as set out by Government) requires us to develop a Strategic Transport Plan (STP) that communicates pan-Northern priorities to the Secretary of State for Transport and explains how we will act as a statutory partner in delivery of infrastructure and services on behalf of the North's 21 local transport authorities (LTAs).

This is our second region-wide STP which sets out the transport priorities for our region up to 2050. Our work explicitly recognises that it is the whole 'door-to-door' journey that matters for people and goods. For our transport system to work efficiently and effectively, it is crucial that pan-Northern road and rail networks are well integrated with local roads and public transport, as well as walking and cycling networks.

In developing this plan, we have worked closely with local transport partners to help create a vision for a more integrated, healthy, and resilient overall transport system. We also work nationally with Government, other Sub-national Transport Bodies (STBs) and the devolved administrations to ensure that investment in pan-Northern transport enhances connectivity across the UK.

Integrated Sustainability Appraisal (ISA) & Habitats Regulation Assessment (HRA)

Alongside developing our plan, we commissioned independent consultants, Arup, to prepare an ISA and HRA. These documents form a core part of the development of this STP and were intended to provide a thorough assessment of the proposed objectives and policies for strategic transport in the region, as well as identifying any potential areas for improvement in sustainability performance.

The STP has been developed with these recommendations in mind and a full re-assessment was conducted on our final plan.



Consultation Process

To maximise engagement with as many people as possible, we used a multi-channel approach including:

- Posts on Transport for the North's social media channels – Facebook, Twitter & LinkedIn.
- Digital advertising through Google and Facebook.
- Media activity including press releases and radio interviews.
- Information and an online survey were made readily available via transportforthenorth.com.
- Virtual consultation room was set up (an equivalent of local meetings in town and village halls).
- Emails to key stakeholders.
- Written letters to all statutory consultees.
- Three face to face TfN workshops in Manchester, Leeds and Newcastle.
- A virtual workshop.
- An All-Party Parliamentary Group (APPG) briefing for MPs in Whitehall.



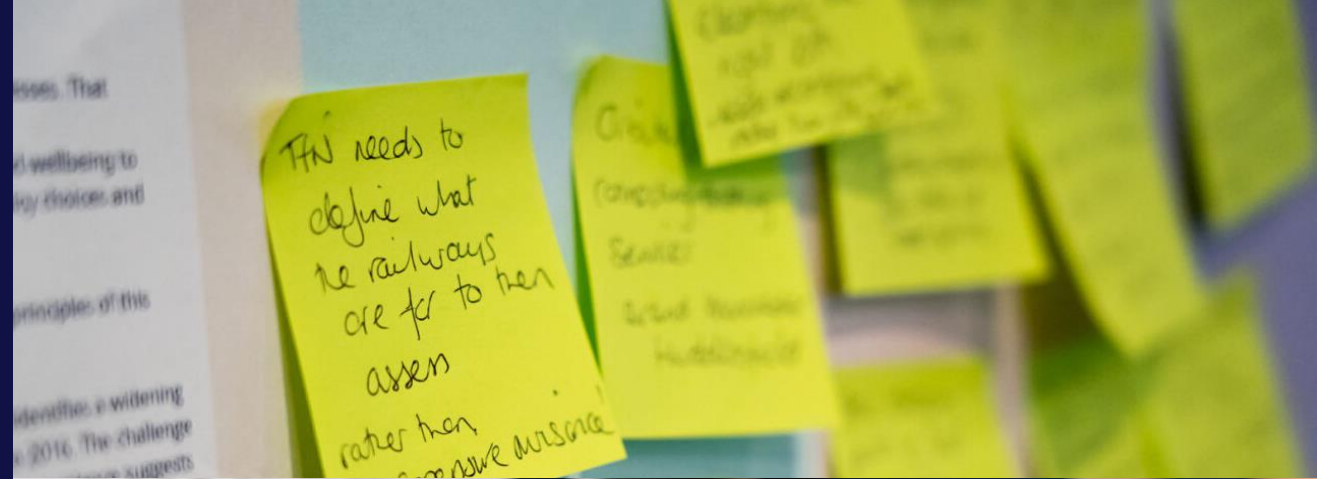
Consultation Process

We also worked with local authorities and a range of partners to ensure that messaging around the Plan and consultation were shared extensively. We wanted to ensure as far as possible that everyone's needs were considered by making both the STP and questionnaire available in various formats. This included providing large print and word versions of the consultation questions.

Recognising our aspiration to engage with members of the public we utilised TfN's own Northern Transport Voices platform, which is a panel of 550 citizens from across the North who engage with transport-related research via an online research platform.

TfN Officers attended 22 additional partner forums or meetings including:

- Business community meetings via chambers of commerce and local enterprise partnerships.
- Professional bodies such as Logistics UK, Chartered Institute of Logistics and Transport (CILT) & Chartered Institute of Highways and Transportation (CIHT).
- Bespoke roundtables with environmental and public health stakeholders.
- Various local transport authority committees and member briefings.



Consultation Response

In total we received **648** responses to the consultation. The volume and diversity of responses can be further broken down to:

- **99** members of the public responding to our online virtual consultation room, with **350** people viewing the room (only those providing a response have been counted towards the total).
- **144** attendees at the TfN led workshops, taking place in Manchester, Leeds, Newcastle and on-line.
- **220** individual responses to our Northern Transport Voices activities.
- **91** other written responses from members of the public, for example emails and letters.
- **9** MPs from the region attending an All-Party Parliamentary Group (APPG) session in Whitehall, and we wrote to more than **150** MPs across the North.
- **31** responses from statutory consultees.
- **54** responses from other groups such as charities and user groups.

We're grateful for all feedback received. All responses have been considered as we have updated our Strategic Transport Plan for the North, representing a shared vision of what we collectively as the North want for our transport system and the outcomes we want to achieve.



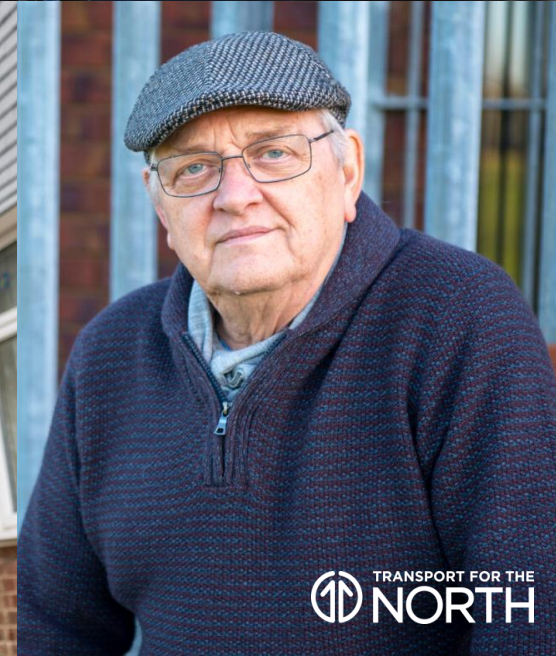
You said, we did: Strategic Transport Plan Vision

A more ambitious vision: timeframe of delivery of the strategy is "too long into the future" & requires more explicit reference to affordability and mode shift

A long-term plan up to 2050 is important to ensure we are clearly articulating strategic transport priorities across government funding cycles. Our plan includes several key 2030 interim milestones which articulate where the North would need to be in the short – medium term, to be considered on track to delivering the vision. The vision wording has been strengthened to include reference to affordability and mode shift.

Greater clarity needed: more information needed on how the vision would be realised & relationship between the vision and the interventions was "tenuous"

Through this STP we adopt a decide and provide approach, with the vision and strategic ambitions articulating the collective ambition for the North of England and subsequent chapters of the plan setting out what will be needed as a minimum in terms of transport infrastructure to deliver on this. Further work to test this through analytical modelling will be completed over the next year as part of our work to revisit our Future Travel Scenarios and update our Decarbonisation Strategy, and we expect to develop advice on implementation of the STP, in line with the details provided in Chapter Six of the Plan.



You said, we did: Strategic Ambitions & The Case for Change

Consider three strategic ambitions together and not in conflict

Our plan will present all three strategic ambitions as equal priorities.

Greater focus on environment, sustainability and biodiversity and recognise economy should be in service to society and the environment

We have added more specific references to cover these points, which we also expected to be captured within our Monitoring & Evaluation framework.

Ensure equal distribution of benefits within and between sub-regions of the north's geography

We have added more specific reference to the importance of this point.

Concern the STP's modelled Future Travel Scenarios fail to meet TfN's Decarbonisation Targets

None of TfN's Future Travel Scenarios are intended to represent, or achieve, the visions and objectives set out within TfN's Decarbonisation Strategy or the STP. They instead allow us to consider future uncertainty as they represent four plausible but quite different futures, enabling us to test the resilience and effectiveness of the policies that can help achieve our vision and ambitions. Text has been added to the Executive Summary and within the Plan to further clarify the role of TfN's Future Travel Scenarios.

Personas are useful within the case for change but simplify people's actual experience

We have removed the personas from the STP, instead including these (and the detail behind them) within the People and Place framework which will be published alongside the STP.



You said, we did: Our Road Network

Discourage car usage and support cohesive spatial planning vs importance of roads such as in rural areas

We recognise the need to support sustainable economic growth and promote efficient journeys across transport modes. We are adopting an outcome focused, evidenced based approach to the development of recommendations on where transport investment is needed. This will be detailed in the STP implementation work, which will follow, after the Plan is adopted.

Maintenance & resilience of existing assets

The STP text already stresses the importance of maintaining and renewing existing highway assets.

Support road investment and include further detail on the benefits of roads

This STP and TfN's Decarbonisation Strategy already highlight the essential need for a complementary package of measures to achieve close to zero carbon emissions from surface transport by 2045. In addition, the Major Roads Report (2021) sets out need for investment in the Strategic and Major Road Networks and identifies schemes in development within the Road Investment Strategy pipeline. TfN has provided recommendations to DfT and National Highways on where there is a need for interventions on the strategic and major road networks.

Over-reliance on electric vehicles

We have added further text on alternative fuels and new technologies including hydrogen to Chapter Five to make this more balanced.

Active travel investment and road reallocation to support that should be a priority above new capacity

New text on the affordability of transport has been included, in addition to a further action within our framework in Chapter Six. We have also strengthened the text on active travel as part of local connectivity, as well as including a specific point in Chapter Five on integrated travel facilities, including park & ride and intermodal freight.



You said, we did: Strategic Rail & Freight

Advocacy of specific rail interventions or priorities and consider smaller scale schemes alongside strategic priorities

As agreed with TfN Board the rail elements of this plan need to focus on the agreed pan-northern strategic priorities. Some schemes are included in the STP as examples, but it is not designed to include an exhaustive list of specific projects. Further detail on specific schemes sits within TfN's Strategic Rail Report and will be captured, as appropriate, in the STP implementation work to follow.

Greater focus on passenger experience and utilisation of existing rail services is needed (reliability, affordability, accessibility, route coverage)

These themes are all captured within our requirements for rail. Further text has also been added to better articulate the need for affordable rail travel.

Integration of modes and ticketing, as well as the absence of light rail and metro systems

We have added additional text within the case for change and within our chapter on local connectivity to address these comments.

Stronger case for freight is needed

Additional text has been added across the Plan to address these comments and better embed our position on freight across all modes.

Greater use of rail freight

We have increased our ambition for mode shift to rail freight for the North; treble rail's share of freight carried to 25.5% by 2050 (as tonne km).

Decarbonisation of freight vehicles and routes needed

In collaboration with gas distribution network operators, TfN is progressing work to understand potential hydrogen refuelling demand in the North from heavy duty transport e.g. HGVs. Our Electric Vehicle Charging Framework also includes freight flows within the generated demand, contributing to the siting of on-route charging locations. For both workstreams, we continue to look at how further development of these tools can help both freight operating companies and refuelling/recharging infrastructure providers and is now referenced within our chapter on freight.

Strengthen the case for greater use of waterways and multi modal freight hubs

We have revised text throughout the Plan to reflect this feedback, including strengthening our desire for more Strategic Rail Freight Interchanges (SRFI).

You said, we did: International Connectivity

We should not recommend catering for growth at Northern airports, as this will inevitably result in increased carbon emissions and conflicts recent evidence published which shows only London has a net Gross Value Added (GVA) benefit from international connectivity. In opposition to the above view, other respondents felt we needed to strengthen our focus on the economic opportunities of airports and ports.

We have carefully reviewed the text around aviation within the STP and amended it to reflect a balance between these differing opinions between a range of stakeholders and recently published evidence.

TfN's Board has been clear that they want us to promote the opportunities of airports and ports as key northern economic assets. However, this promotion and any enhancement of the North's airport infrastructure needs to be accommodated within TfN's recommendations in relation to aviation decarbonisation, found within our agreed policy position on International Connectivity. These recommendations go further than current national policy and align TfN with the Committee for Climate Change's (CCC) 6th carbon budget, namely promoting a net national cap on aviation demand growth fixed at 25% by 2050, and a moratorium on runway expansion until the risk associated with not achieving all the carbon reductions apportioned by UK Government to technology focused measures is significantly reduced.

Further text has been added to our international connectivity chapter to recognise the need for the rapid development of a national capacity-management framework which further aligns the STP with the recommendations made within the CCC's 2023 Progress Report to Parliament. We also recognise that the evidence base around aviation is evolving, and as new research emerges, we will work with our partners to consider the implications of that on our position as required.



You said, we did: Local Connectivity

Improvements to public transport and deliver integrated transport networks including frequency, reliability, affordability, accessibility

We have strengthened text across the Plan to address these comments and reaffirm the importance of delivering integrated transport networks for the North.

Community transport, demand responsive transport and taxis recognised as key components for enabling wider connectivity were overlooked, particularly supporting rural areas and transport deprived communities

We have added further text within the local connectivity chapter and within the People & Place framework.

The importance of buses and coaches

Additional text on this has been added, as well as an action for further work by TfN in our Action Plan. Consequently, we are currently working with our partners to develop an evidence base and statutory advice on buses and coaches.

More emphasis needed on multi modal hubs within transport planning

Additional text has been added within the local connectivity chapter.

Transport integration across the transport system, including modes, fares and timetables

We have added text on our connected mobility strategy, and we have added a further action to our Action Plan.

Considering active travel at a Northern level would enable TfN to advocate funding for active travel infrastructure in rural areas as well as urban areas, also recognising that uptake will be place based

Additional text on our role on active travel has been added, including a commitment to examine the potential for strategic active travel corridors, including those enabled by e-bikes and micro-mobility technologies. Our role also includes advocating and evidencing the level of investment required across the North.

Consider affordability of public transport

Additional text has been added across the Plan and we have added a further action to our Action Plan.

Importance of mode shift and behavioural change

This was already implicit within the STP, but we have strengthened this point further throughout the document.



You said, we did: A place-based approach

To ensure we effectively engage communities within our consultation, we utilised TfN's Northern Transport Voices; made up of 550 residents of the North. The panel identified our place-based approach missed detail on "how" our policy narratives will be delivered, showed a lack of consideration for vulnerable groups and some respondents did not fully identify with the place policy. Respondents also felt the oversimplified framework should be strengthened to be more north-specific, with further consideration given to understand the unique challenges of rural areas.

The People & Place framework has been developed to convey that the North has a diverse geography made up of different types of places each of which face their own transport challenges. These are evidence based, derived by combining place types from an EU framework and ONS OAC classification. However, it remains vital to TfN partners that the framework still provided enough flexibility to enable decisions at a local level and therefore do not reference Northern specific examples. As such it is not appropriate for TfN to state exactly how interventions will be delivered, this will be considered by local transport authorities and their local transport plans.

We have included some additional text within the People & Place framework, taking evidence from our Transport Related Social Exclusion work to draw out the potential implications on vulnerable user groups. We are also exploring how we can better engage with community groups in our work moving forward and have initiated discussions with the community transport association.

Within our People & Place framework we have included three rural typologies. In addition to this we have also revised text in the STP to further reflect rural mobility.



You said, we did: Action & Impact Framework

Show greater ambition and bring target dates sooner within the Action & Impact framework

TfN Board agreed to amend several of the headline metrics for the plan to raise the level of ambition. These include representing the right share metrics as 51% sustainable vs 49% private car mode, trebling the share of rail freight by 2050 to 25.5% as tonne km and accelerating our aspirations for vision zero road safety from 2050 to 2040

Questioning how TfN's metrics and ambitions will be delivered based on their influence and ability to invest, and the need to provide a detailed action and implementation plan with reference to prioritisation and delivery

The STP is a strategic transport plan for the North, as such it will require action from a range of partners to deliver our collective vision, strategic ambition and outcomes – including TfN. Further detail on the metrics and data sets are included in our Monitoring & Evaluation Strategy. We are also planning to undertake work on implementation which will set out more detail on prioritisation of the required investments needed in the short – medium term to deliver the plan.

Respondents wanted to see more control of funding and longer, more sustainable pots of funding to support the delivery of outcomes

The STP advocates strongly for this and once adopted, we plan to develop further advice to government, working with our partners.





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Meeting: Transport for the North Board

Subject: Annual Statement of Accounts 2022/23

Author: Paul Kelly, Finance Director

Sponsor: Martin Tugwell, Chief Executive

Meeting Date: Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 This report requests the Board's approval of Transport for the North's Statement of Accounts for financial year 2022/23.

2. Recommendations:

The Board is recommended to:

- 2.1 note the intention of Transport for the North's independent external auditor to provide an unqualified, clean audit opinion.
- 2.2 note the recommendation of the Audit & Governance Committee to approve the Statement of Accounts for 2022/23.
- 2.3 approve the Statement of Accounts for financial year 2022/23.

3. Main Issues:

- 3.1 To comply with legislation, Transport for the North must recognise its pension assets and liabilities in its statutory accounts. This is a statutory accounting adjustment and does not impact on our operational / budgeted position.
- 3.2 Transport for the North's external audit can only be concluded when the external audit of the whole Greater Manchester Pension Fund ("GMPF") is concluded. This allows the output, relevant to Transport for the North, to be considered as true and accurate. The GMPF audit had not been concluded by the September 2023 Board meeting.
- 3.3 At the Board meeting in September 2023, the accounts were approved subject to there being no material variances arising from the completion of our external audit.
- 3.4 As is the case for previous years, the pension fund element of the accounts is compiled using actuarial reports (from GMPF) produced in February prior to the year end. These are based on estimated data which allows draft accounts to be processed and published by 31 May each year.
- 3.5 After completion of the wider pension fund audit, the external auditors compare the actual pension assets and liabilities of TfN against the estimates in February. If there are no material differences the audit opinion can be issued without amendment of the accounts. This has been the case for all previous years.
- 3.6 Following the restructuring in earlier years, the organisation has been systematically recruiting to its establishment. This has resulted in a net inflow of members to our pension fund. This net inflow was not envisaged within the estimated reports, and once considered, shows a material difference to our estimated position.
- 3.7 As a consequence, the statutory accounts have been updated to reflect the position at 31 March 2023 using actual data.

- 3.8 The amended accounts have been shared with the external auditors who have indicated they intend to issue an unqualified, clean audit opinion and report.
- 3.9 The accounts and the respective changes were presented to the Audit and Governance Committee on 8 March 2024. The committee is comfortable to propose the accounts are put before the board for formal approval.
- 3.10 The Transport for the North Statement of Accounts for 2022/23 are included at Appendix 1.

4. Corporate Considerations:

4.1 *Financial Implications*

There are no financial implications within this report.

4.2 *Resource Implications*

There are no direct resource implications as a result of the report.

4.3 *Legal Implications*

The legal implications have been considered and are included in the report.

4.4 *Risk Management and Key Issues*

There are no risk implications as a result of this report.

4.5 *Environmental Implications*

A full environmental impact assessment has not been carried out because it is not required for this report. There are no environmental implications within this report.

4.6 *Equality and Diversity*

A full impact assessment has not been carried out because it is not required for this report.

4.7 *Consultations*

A consultation has not been carried out because it is not necessary for this report.

5. Background Papers:

- 5.1 Audit & Governance Committee 9 August 2023 – Draft Statutory Accounts
- 5.2 Audit & Governance Committee 15 September 2023 – Year End Statutory Accounts
- 5.3 Transport for the North Board 27 September 2023 - Annual Governance Statement, Statement of Accounts and Audit Opinion 2022/23
- 5.4 Audit & Governance Committee 8 March 2024 – Year End Statutory Accounts

6. Appendices:

- 6.1 Appendix 1 - Annual Statement of Accounts

Transport for the North Statement of Accounts 2022/23



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Narrative report

Operational overview and external environment

Our purpose

Transport for the North (TfN) is a statutory body of elected leaders and senior business representatives from across the North. Collectively, our members represent the region's over 15 million citizens and provide 'one voice' for the North on transport matters.

TfN is a symbol of the North's ambition and represents unprecedented collaboration toward a shared goal – to drive inclusive and sustainable economic growth and quality of life. We do this by identifying, making decisions on and planning the strategic transport infrastructure required to deliver an economic step change for the North. One that will leave a lasting legacy for future generations.

On 1 April 2018, after receiving parliamentary approval, we became a statutory body, the first of its kind in England.

The statutory powers that have been granted allow and empower us to:

- Develop and implement a Strategic Transport Plan for the North of England;
- Act as 'one voice' for the North, clearly communicating pan-Northern priorities to the Secretary of State for Transport;
- Coordinate and deliver smart ticketing systems across the North;
- Become a statutory partner in road and rail investment decisions, through the Rail North Partnership ("RNP") and Highways North Board;
- Oversee (jointly with the Department for Transport (DfT)) franchised rail services covering Northern and TransPennine Express ("TPE") franchises;
- Promote highways improvements of Northern significance, with the agreement of Government and relevant local transport and highway authorities; and
- Prioritise investment on the transport network.

Achieving statutory status was a landmark moment for devolution to our region. It ensures that Government is legally obliged to take into account the North's priorities when making transport infrastructure investment decisions.

Vision & objectives

Our vision is of a thriving North of England where world class transport supports sustainable economic growth, excellent quality of life and improved opportunities for all.

We are making the case for strategic transport improvements across the whole of the North, which are needed to drive sustainable and inclusive transformational economic growth to rebalance the UK economy. We are doing this by looking at how poor transport infrastructure is holding back the North's economic potential, to provide an evidence-based case for investment.

By connecting the key economic areas of the North, we will drive growth, improve access to jobs and ensure the North is a great place to invest and live.

Our plan

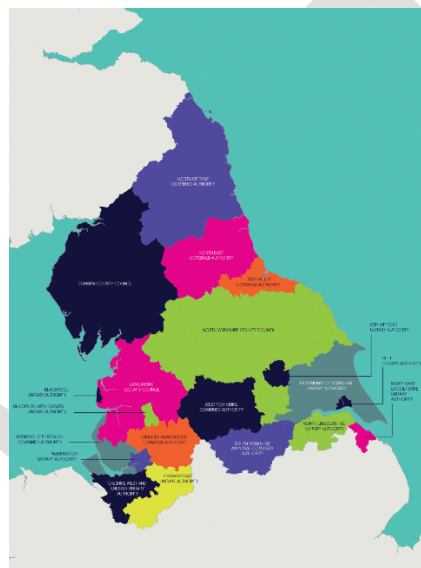
In February 2019, we published our first Strategic Transport Plan (STP), which outlined our vision for a future transport network that would enable sustainable economic growth across the whole of the North. Using our evidence base and policy positions developed since, we have revised the STP and will consult on the draft over summer 2023. The revised STP reflects not only economic growth ambitions for the North, but also the need to decarbonise our transport network and reduce those in transport related social exclusion. Subject to the outcome of the consultation, we expect to adopt the revised STP by end of 2023, with publication in early 2024.

Governance

Transport for the North is England’s only sub-national transport body set up as a statutory public authority, a unique arrangement that sees Northern elected leaders and Local Enterprise Partnerships (LEPs) working together to speak to central government with a united voice.

Our Partnership Board is made up of elected and LEP representatives from all areas of the North, along with the Secretary of State for Transport and representatives from Highways England, Network Rail and HS2 Ltd. This body along with the rest of TfN’s governance arrangements allows the North to speak with one voice on the transport infrastructure investment needed to boost the North’s economy. The board is chaired by an independent Chair – Lord Patrick McLoughlin.

The Partnership Board provides advice to the main decision-making body: the Transport for the North Board.



Since TfN’s inception there have been a number of changes to our governance structure.

Our constituent authorities have increased from 19 to 21 in total, reflecting the creation of the North of Tyne Combined Authority and the North-East Combined Authority (South of Tyne) from the former North-East Combined Authority, and the creation of two new unitary authorities in Cumbria from 1 April 2023.

The Partnership Board was also expanded during 2019/20 to include new representative groups supporting the Board in drawing together a wider spectrum of views and expertise. Three regional Trade Union Council (TUC) representatives have joined the Board along with representatives of environmental, disability, and passenger transport user groups, and further expanded in 2023 to include a representative from the Northern Chambers of Commerce and the Public Health Directors of the constituent authorities.

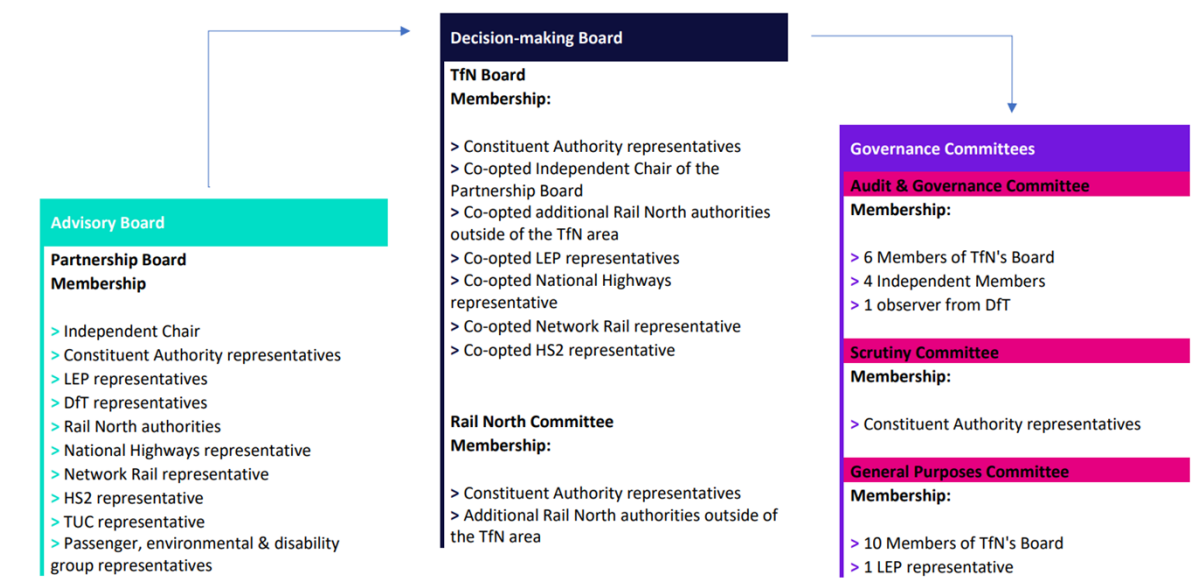
How we make decisions

We are proud of the fact that we are a membership organisation – led by the North, for the North. All corners of the region are represented on our Board, made up of local politicians and business leaders with an independent Chair. They are joined by representatives from our national delivery partners (Network Rail, Highways England and HS2 Ltd) and work closely with our neighbours in Wales, Scotland and the Midlands.

However, collaboration extends beyond this, and is characterised in the way that we work. Transport and economic officers from across the North work with us day-to-day, taking part in working groups that

have significant input in the ongoing development of our Strategic Transport Plan and associated activities.

Transport for the North Board and committee structure



Business model and performance

TfN is a single-entity organisation, meaning we do not have a group-structure.

Our Business Plan for 2022/23, published in June 2022 due to the need to restructure, set out TfN's Strategic Objectives and commitments for the year. That Business Plan can be downloaded here:

[Business Plan 2022/23 | Transport for the North - Transport for the North](#)

Delivering on our objectives

Our values

Developed with our employees, our values and behaviours underpin our unique culture and ways of working. They influence how we operate as individuals and as an organisation, creating an agile and dynamic working environment where employees are trusted, valued and invested in.

We make a difference

We do the right thing

We are driven to succeed

We collaborate

Our core behaviours

Cultivate innovation - Creating new and better ways for the organisation to be successful.

Ensure accountability - Holding self and others accountable to achieve results, even under challenging circumstances.

Collaborate - Building partnerships and working collaboratively with others to meet shared objectives.

Instil trust - Gaining the confidence and trust of others through honesty, integrity and authenticity.

Financial acumen - Interpreting and applying understanding of key financial indicators to make better business decisions.

Health and safety

Health and Safety continues to be the cornerstone of TfN's strategy for improving the wellbeing of staff. This area of activity offers an enhanced level of resilience in providing a suitable, fit for purpose facility and associated facilities management advisory and support service.

Our approach fulfils our statutory obligations by effectively providing a framework for securing the wellbeing of our employees and others who could be affected by our actions. The appointment of a 'competent person' combined with a contracted support service offering means that the majority of Health and Safety matters, training programmes for employees and contractors, and proactive risk management, can be effectively managed/delivered flexibly to recognised standards in-house.

This approach provides the right level of engagement across a variety of stakeholders, creating knowledge and awareness of health and safety risks, and encouraging behavioural change through assessments and direct interventions including inspections and investigations, but we must continue to evolve our approach to face fresh challenges or to address existing problems in new ways.

Our people: Team TfN

Central to the success of our shared Northern goal is our team. We are proud of the talented, bright minds we attract and retain. Through our values-driven culture and shared goals, our diverse and dedicated employees are quick to adapt to the changing landscape in which we operate. We arm them with the tools and support to do so.

We are now in our fifth year of being an employer in our own right (since gaining statutory status). As such, our comprehensive suite of employment policies are now further developed and embedded and we continue to build our reputation as a best practice employer.

At the heart of this is our People Strategy, an all-encompassing plan that aims to ensure we have the right people, at the right time to deliver our organisational goals. This covers nurturing talent and rewarding our teams, as well as listening to their needs and responding where necessary - all of which are underpinned by our values of making a difference; collaborating; doing the right thing; and being driven to succeed.

This commitment to being among the best was demonstrated by our full membership of Greater Manchester Good Employment Charter – an initiative aimed at developing good jobs and more opportunities for people to progress.

We hold ourselves to the same high standards as our peers across the North. As well as being an accredited Living Wage employer – an expectation of which extends to our supply chain - we are also an agile organisation, adopting family friendly working practices that mean our teams can work in different locations and at flexible times. Such agile and remote working practices mean we attract and retain talent from across the whole of the North. In return, we get the best out of people with a diverse range of backgrounds and experiences. Recognising that everyone has the ability to shape and improve our organisation is a fundamental principle. The importance of our employee voice is enshrined in our established Employee Forum and effective line management. Linked to this is our recognition of UNISON, with whom we regularly collaborate to support our teams regarding working practices and ensuring we always do the right thing.

Building on our status as Disability Confident employer, we have also established a Diversity sub-group – made up of employees - to make sure we reflect, embrace and celebrate the North's differences, and equip our teams to do so in practical ways.

Our TfN vision is based on creating opportunities. It is therefore only right that we hold true to this internally. We have transparent career pathways in place to unlock opportunities and give our people chance to grow with us. This complements the robust evaluation, reward, development and pay practices that nurture individuals in their career progression.

Our resourcing plan

As agreed by our Members and funders, to maximise value for money we continue to minimise our reliance on external consultants’ posts, wherever possible. This gives us certainty over resources and the balance of skillsets we can deploy. However, we are mindful of both the length of time needed to fill roles and the funding conditions within which we operate.

Following confirmation of our budget settlement for 2022/23, a cost reduction programme and restructure was implemented in the year that underpins a more sustainable cost base.

Our proposed establishment for 2023/24 is:

	Permanent posts	Fixed term posts	Total posts
Operational:			
Operations	51	1	52
Back office	15	-	15
Total operational and back office	66	1	67
Hosted:			
Rail North Partnership	15	3	18
NPR Analytical Support	25	-	25
Total hosted	40	3	43
Total establishment	106	4	110

TfN’s Business Plan outlines how we will mitigate these challenges on our resources, while meeting the ambitions of our partnership. It illustrates the pressing need to work closely with Government in 2023/24 and beyond to re-establish a multi-year funding settlement to support TfN’s progression.

Our funding

TfN has no powers to raise money from precepts and levies as most comparator transport authorities do. Instead, almost all of our funding is received in the form of grants from the DfT. This is reflective of the fact that TfN has, in the main, drawn down powers from central government that were previously funded through general taxation.

Each year, the DfT provides a general ‘Core’ funding grant that enables us to deliver on statutory obligations, to provide good governance and value for money, and fulfil our commitment to evidence-based decision making, whilst also resourcing some development activity. In addition, grant funding is also received in the form of discrete grant ring-fenced to specific areas of activity.

Aside from this ‘Core’ grant and the Rail North grant that is made available to us to discharge our statutory functions, we earn grant support through bidding into the Department for development resources or passing business case gateway reviews to unlock funding for the delivery projects.

Where ring-fenced grants are unused, any unspent funding at the point that activity is completed will be returned to the DfT. Unused ‘Core’ grant allocations are taken to reserves and used to fund future period activity, reflecting that there are often timing differences between funding being provided and funding being required.

Risk management

We have developed risk management processes through which we identify and address the risks associated with each area of activity. We have adopted a Risk Management Strategy using industry best practice to create a framework within which risks are identified and evaluated prior to mitigation plans being put in place. Project, functional and corporate risks are monitored regularly - risk is a standing item on the Audit and Governance Committee agenda, and the Corporate Risk Register is provided twice each year to the Transport for the North Board.

Measuring our success in 2022/23

Summary of activity in 2022/23

Throughout the past year TfN has continued to demonstrate our inherent strengths as an organisation. Last year we:

- Implemented revised TfN Operating model with accompanying restructure and cost reduction programme;
- Developed the governance for the NPR co-sponsor board;
- Delivered analytical support programme for the NPR SOBC programme;
- Updated the Northern Powerhouse Independent Economic Review scenarios for the revised STP;
- Finalised the draft STP ready for consultation in summer 2023;
- Launched EV Charging Infrastructure framework and online toolkit;
- Published TRSE research and mapping tool and finalise the strategy for consultation;
- Published the Freight and Logistics Strategy;
- Completed an evidence-based assessment of the need for interventions in the RIS Programme;
- Continued to work as part of the Manchester Recovery Task Force to develop a 'blueprint' that aligns infrastructure and service changes – and then began to apply the experience gained to consideration of issues relating to the East Coast Main Line;
- Continued to work as part of the RNP to ensure that the North's priorities are reflected in the Business Plans of Northern and TPE;
- Worked with partners across the North to define the scope of work for a Connected Mobility Strategy; and
- Worked collaboratively with the six (non-statutory) Sub-national Transport Bodies on issues of common interest.

Qualitative performance

In our 2022/23 Business Plan we set 20 Key Performance Indicators (KPIs) to ensure a culture of accountability and excellence for our organisation and our partners.

The KPIs were developed by:

- Reviewing our strategic, organisational and programme level objectives;
- Understanding the actions needed to deliver those objectives;
- Developing indicators to demonstrate the extent to which our actions are delivering changes; and
- Developing metrics to ensure that the changes can be measured.

We have monitored our performance against these KPIs using a combination of qualitative and quantitative measures. Of the 20 KPIs, 15 were achieved in year. Whilst progress was made on the remaining five KPIs, they were not fully completed in year and have been carried forward into 2023/24. TfN continues to assess the implications of the Integrated Rail Plan for the delivery of KPIs in relation to the Northern Powerhouse Rail programme.

Financial performance 2022/23

Performance against budget

In delivering our activity in 2022/23, we incurred expenditure of £14.84m, which represents a variance of £1.68m against our budget. Our financial performance over the course of the year can be summarised as follows:

	Actual £m	Budget £m	Variance £m
Operational			
Rail and Roads	1.83	2.02	0.19
Strategy, Policy and Communications	2.55	2.77	0.22
Back office	2.63	2.61	(0.02)
Transition	1.04	1.44	0.40
Total operational and back office	8.05	8.84	0.79
Hosted			
Rail North Partnership	1.39	1.60	0.21
NPR Analytical Support	5.01	5.66	0.66
NPR closure costs	0.39	0.41	0.03
Total hosted	6.78	7.68	0.89
Total budget	14.84	16.52	1.68

The variance of £0.79m in operational expenditure is mainly as a consequence of savings on transition costs and as a result of recruitment delays, both associated with the organisational restructuring exercise carried out during the year.

Operational activity is predominantly funded by TfN core grant received from the DfT, supplemented by contributions from partners, and a small amount of income from contracts for services provided to partner bodies and interest on investing activities. In meeting operational expenditure, we applied both grant received in year and grant held in reserves from prior years. The underspend in this area therefore reduced the required draw on reserves in the year, leaving a higher reserve balance at the year-end than budgeted.

Hosted activities are entirely funded through specific ring-fenced grants, which cannot be repurposed for other activities. Underspend in these areas of £0.89m is a result of varying work programmes and staff vacancies.

Reconciliation between outturn and CIES

The following table shows the differences between the management outturn position and those balances shown on the face of the CIES.

Income	£m
Outturn position	(14.84)
Adjustments for:	
Pensions (IAS19)	(0.37) In CIES not in outturn
RNP grant taken to earmarked reserves	(0.07) In outturn not in CIES
Use of core reserves	0.76 In outturn not in CIES
CIES balance	(14.52)

Expenditure	£m
Outturn position	14.84
Adjustments for:	
Pensions (IAS19)	2.23 In CIES not in outturn
Movement on accumulated absence provision	(0.03) In CIES not in outturn
CIES balance	17.04

These variances arise due to differences between how we account for certain items under statute, and how we prepare the accounts under international accounting standards.

These differences principally arise around pensions accounting; the treatment of accumulated employee absence costs; and the treatment of grants received.

Balance sheet movements

	2021/22 Movement 2022/23		
	£m	£m	£m
Assets			
Cash & cash equivalents	8.68	(0.53)	8.14
Debtors	1.40	(0.68)	0.73
	10.08	(1.21)	8.87
Liabilities			
Provisions	(0.07)	(0.17)	(0.24)
Grants received in advance	(0.35)	(2.95)	(3.29)
Pension liability	(10.45)	8.15	(2.31)
Creditors	(5.18)	3.66	(1.52)
	(16.05)	8.69	(7.36)
Net assets/ (liabilities)	(5.97)	7.48	1.51

The balance sheet position at 31 March 2023, shows a movement from net liabilities in the prior year, to a net asset position. This is driven by a significant reduction in the pension liability, which is impacted by a range of factors, most notably an increase in the discount rate.

Cash and cash equivalents have reduced as a result of the draw on reserves to fund expenditure in the year and the return of unused grant from prior years to the DfT. This reduction is partially offset by the early receipt of £2.75m of core grant for 2023/24. The balance of creditors has reduced significantly compared to the prior year, reflecting the reduced level of external expenditure.

These movements also affect the reserve balances held by TfN at the year end.

	2021/22 Movement		2022/23
	£m	£m	£m
Unusable reserves			
Accumulated absence reserve	0.11	(0.03)	0.09
Pension reserve	10.45	(8.15)	2.31
	10.57	(8.17)	2.39
Usable reserves			
Devolved powers earmarked reserve	(0.50)	0.50	-
RNP grant earmarked reserve	(0.03)	(0.07)	(0.10)
General fund reserve	(4.07)	0.26	(3.81)
	(4.60)	0.69	(3.90)
Total reserves	5.97	(7.48)	(1.51)

Unusable reserves, generally held to manage statutory adjustments to general accounting practice, have reduced reflecting the reduced pension deficit.

Usable reserves are uncommitted funds that can be applied to future expenditure. These have reduced reflecting the draw on reserves used to fund expenditure in the year. Amounts previously earmarked by the Board for use in response to changes to devolved powers, have now been released back to the general fund reserve, leaving core reserves at £3.81m.

Looking ahead to 2023/24 and beyond

Our adopted Business Plan for 2023/24 represents the priorities of the Northern leaders who make up our governance and provides direction for our teams. Whilst our STP has a long-term common goal, our vision is underpinned by short, medium and longer-term plans that advance wide-ranging interventions right across the North.

Summary of proposed activity in 2023/24

The investment made in TfN to date has developed a capacity and capability that is technically at the leading edge of strategic transport planning nationally. The 2023/24 Business Plan looks to build on that investment to the benefit of all TfN partners (nationally and regionally). In 2023/24 we will:

- Publish updated Strategic Transport Plan (STP2) for consultation – starting mid-May to August: adoption in December 2023;
- Development of advice on implementation of STP2 – to include consideration of indicative regional funding advice, 5-year funding allocations for all local transport authorities
- Road Investment Strategy – to provide advice to the Secretary of State
- Rail Reform – to seek further devolution (incl sub-regional units, building on the existing Rail North Partnership
- Alignment with other strategic infrastructure – including energy systems and ubiquitous digital connectivity, etc
- Developing the TfN ‘offer’ to partners (across the North and nationally) – utilising Technical Assurance, Modelling and Economic (TAME) team to support other STB’s and LTA’s.

Financial planning 2023/24

TfN is subject to essentially the same regulatory framework as its local transport authority and combined authority partner bodies. This framework confers upon the organisation an obligation, a balanced-budget requirement, and also the need to adopt a reserve strategy.

These requirements, together with our relationship with the DfT, set the parameters within which we will manage our operations in relation to funding.

The 2023/24 business planning process identified our key strategic priorities and identified a common 'golden thread' from strategy to delivery. This 'golden thread' ensured that when detailed individual departmental plans were being designed and objectives set, there was a common and coordinated approach to delivery across the organisation. These common goals are what underpin the expenditure profile and budget for 2023/24.

These budgets are underpinned by the reserves strategy, which serves as our back-stop mitigation against financial risk.

Value for money

We recognise the absolute requirement to deliver our activities efficiently and effectively. In order to ensure value for money, we have implemented a procurement framework which requires that the procurement of goods or services includes a competitive process that is appropriate to the value and complexity of the services/products and also minimises barriers for suppliers to participate in such exercises.

Expenditure and funding

In order to deliver the activity set out in our Business Plan, we have a total budgeted expenditure for 2023/24 of £16.12m. This includes £8.44m of expenditure supporting core operations and £7.68m of expenditure on hosted activities with the associated funding streams as shown below:

Budget by activity	£m	£m	Budget by fund	£m
Operational:			Core grant	7.21
Rail and Roads	2.30		In-year funding (23/24 c/f)	0.03
Strategy, Policy and Communications	3.33		Rail North grant/ Local contributions	0.32
		5.63	Contract income	0.04
Back office		2.81	Use of reserves	0.83
Total operational and back office		8.44	Total operational and back office	8.44
Hosted:			Rail North Partnership grant	0.96
Rail North Partnership	1.62		Rail North grant/ Local contributions	0.40
NPR Analytical Support	5.86		Contract income	0.27
NPR Closure Costs	0.20		NPR/ DfT Analytical support grant	6.06
Total hosted		7.68	Total hosted	7.68
Total budget		16.12	Total budget	16.12

As a Sub-National Transport Body, we are unable to recover VAT on our purchases of goods and services.

Core duties includes operational and support costs. We are subject to the same regulatory environment as local and combined authorities and must discharge our responsibilities as an autonomous body. We must also act in accordance with the Memorandum of Understanding that TfN has with DfT.

TfN will remain almost entirely funded by grants from the DfT. Aside from a £7.21m Core grant funding allocation, we receive funding that is ring-fenced for the purpose for which it has been allocated and in the main can only be drawn down as and when it is required. The updated reserves strategy set out in the 2023/24 Budget report is based upon a year-end General Fund Reserve of £3.7m, created from Core Grant underspends in prior years. It was agreed that £0.8m of this balance be drawn upon in 2023/24 to support the delivery of the business plan activities. This would reduce the reserve levels to £2.9m by the end of 2023/24, with a further reduction in 2024/25 of £0.5m. For the three subsequent years a financial planning assumption of receiving and increase in core grant from £6.5m to £8m (£7.2m to £8.7m including the support for STB's and LTA's) a year for a three-year period has been made. This approach maintains the minimum level of £2m as outlined below in our medium-term financial plan.

The opening reserve position of £3.7m was based on forecast outturn, the actual reserve balance was £3.8m at year end.

Draws upon the General Fund Reserve at this level are unsustainable beyond the medium-term. As inflation increases the amount of the Core Grant that is used to fund employee costs, there will be further pressure to reduce discretionary expenditure.

TfN notes the potential for grants to be increased in future Spending Reviews and as part of that process and through ongoing dialogue with DfT, will continue to press for a revised funding settlement that reflects inflationary pressures and the growing maturity of the organisation’s activities and aspirations.

Financial outlook

TfN is almost entirely funded by the DfT. This means that we are particularly sensitive to the government funding cycles and decisions, both in terms of the quantum and the term over which funding is granted.

In January 2023, the core grant for the two-year period to March 2025 was announced at £6.5m with a further £0.71m to support the development of wider STB and LTA capacity and capability giving TfN funding certainty until the end of 2024/25. We are continuing constructive dialogue with DfT on how we can enhance our funding and secure greater certainty of future funding to aid our business planning.

To enable us to continue to deliver our functions as a ‘going concern’ we are party to a Memorandum of Understanding (MoU) with the DfT which, amongst other things, provides us with sufficient comfort that we can plan on a going concern basis. Furthermore, the MoU commits the Department to an orderly wind-down of our financial affairs should the government make a future decision to either withdraw or reduce our funding allocations.

Our medium-term financial plan

All local government bodies – including Transport for the North – are required to operate to a locally defined reserves strategy that ensures the organisation always holds a prudent level of reserves. A prudent reserve strategy is particularly important to us as an organisation as we have few other levers to mitigate financial risk. We cannot access credit for short-term cash flow management or long-term investment, nor can we levy or precept upon a local tax base to underwrite our operations.

As noted above, elements of our funding are ring fenced and can only be drawn down as required. This means our reserve strategy must be managed in conjunction with the use of the annual core grant allocations, as core grant is the only discretionary resource we hold that can fund any and all expenditure.

We have planned ahead based upon a 2022/23 year-end total reserve balance of £3.8m.

Based on the new operating model, which places more emphasis on investing in retaining TfN’s technical capacity and capability, a subsequent reduction in commissioned activity and the challenge of unindexed grant allocation with a cost base subject to inflationary pressure, our strategy retains the requirement for a minimum reserve of £2m. If longer term funding arrangements align to the cost base associated with the new operating model, TfN would be able to reassess its reserves strategy including the required minimum.

Statement of Responsibility for the accounts

TfN's responsibilities

TfN is required to:

- make arrangements for the proper administration of its financial affairs and to secure that one of its officers has responsibility for the administration of those affairs. In TfN that officer is the Finance Director;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- approve the Statement of Accounts.

The Finance Director's responsibilities

The Finance Director is responsible for the preparation of the Statement of Accounts for TfN in accordance with proper practices as set out in the *CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom* (the Code). In preparing this Statement of Accounts, the Finance Director has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent; and
- complied with the Code.

The Finance Director has also:

- kept proper accounting records which were up to date; and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certificate of the Finance Director

I certify that the Statement of Accounts gives a true and fair view of the financial position of the organisation at the accounting date and of the income and expenditure for the year ended 31 March 2023.

Paul Kelly
Finance Director
20 March 2024

Chair's Certificate

I certify that the Statement of Accounts for the year ended 31 March 2023 was approved at the meeting of the Board on 20 March 2024.

Lord Patrick McLoughlin
Chair of Transport for the North Board
20 March 2024

Financial statements

Comprehensive income and expenditure statement

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from grants and other income. TfN generates income to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost.

2021/22 As restated			Notes	2022/23		
Expenditure £000	Income £000	Net £000		Expenditure £000	Income £000	Net £000
41,692	(41,437)	255		5,394	(5,394)	0
1,077	352	1,429		-	-	-
1,270	(992)	278		1,668	(1,456)	212
10,019	(714)	9,306		9,298	(625)	8,674
54,058	(42,791)	11,267		16,360	(7,474)	8,886
0	-	0		-	-	-
492	(233)	259	11	681	(541)	140
0	(5,908)	(5,908)	12	-	(6,500)	(6,500)
54,550	(48,932)	5,618	13	17,042	(14,516)	2,526
		(3,557)	27			(10,005)
		(3,557)				(10,005)
		2,061				(7,479)

Movement in reserves statement

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by TfN, analysed into 'usable reserves' that can be used to resource expenditure alongside income received in year and other 'unusable reserves'. The Statement shows how the movements in year of TfN's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to income for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

2022/23

	General Fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2022	(4,067)	(531)	(4,598)	-	(4,598)	10,567	5,969
Movement in reserves during 2022/23							
(Surplus) or deficit on the provision of services	2,526	-	2,526	-	2,526	-	2,526
Other Comprehensive Income / Expenditure	-	-	-	-	-	(10,005)	(10,005)
Total Comprehensive Income and Expenditure	2,526	-	2,526	-	2,526	(10,005)	(7,479)
Adjustments between accounting basis and funding basis under regulations (see note 9)	(1,833)	-	(1,833)	-	(1,833)	1,833	-
Net (Increase) or Decrease before Transfer to Earmarked Reserves	693	-	693	-	693	(8,172)	(7,479)
Transfer (to)/from Earmarked Reserves (see note 10)	(434)	434	-	-	-	-	-
(Increase) or Decrease in 2022/23	259	434	693	-	693	(8,172)	(7,479)
Balance at 31 March 2023	(3,808)	(97)	(3,905)	-	(3,905)	2,395	(1,510)

2021/22

	General Fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	Capital Grants Unapplied Account	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2021	(6,166)	(1,781)	(7,947)	(277)	(8,224)	12,132	3,908
Movement in reserves during 2021/22							
(Surplus) or deficit on the provision of services	5,618	-	5,618	-	5,618	-	5,618
Other Comprehensive Income / Expenditure	-	-	-	-	-	(3,557)	(3,557)
Total Comprehensive Income and Expenditure	5,618	-	5,618	-	5,618	(3,557)	2,061
Adjustments between accounting basis and funding basis under regulations (see note 9)	(2,177)	-	(2,177)	185	(1,992)	1,992	-
Net (Increase) or Decrease before Transfer to Earmarked Reserves	3,441	-	3,441	185	3,626	(1,565)	2,061
Transfer (to)/from Earmarked Reserves (see note 10)	(1,342)	1,250	(92)	92	-	-	-
(Increase) or Decrease in 2021/22	2,099	1,250	3,349	277	3,626	(1,565)	2,061
Balance at 31 March 2022	(4,067)	(531)	(4,598)	-	(4,598)	10,567	5,969

Balance sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by TfN. The net liabilities (assets less liabilities) are matched by the reserves held by TfN.

Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. The second category of reserves is those that the authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the revaluation reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'adjustments between accounting basis and funding basis under regulations.

31 March 2022			31 March 2023
£000	Notes		£000
-	14	Intangible Assets	-
-		Long Term Assets	-
1,405	15	Short-Term Debtors	728
8,677	16	Cash and Cash Equivalents	8,144
10,082		Current Assets	8,873
(5,183)	17	Short-Term Creditors	(1,522)
(68)	18	Provisions	(240)
(346)	8	Grants Receipts in Advance - Revenue	(3,293)
(5,597)		Current Liabilities	(5,055)
(10,454)	27	Pension Liability	(2,308)
(10,454)		Long term Liabilities	(2,308)
(5,969)		Net Assets/(Liabilities)	1,510
(4,598)	19	Usable Reserves	(3,905)
10,567	19	Unusable Reserves	2,395
5,969		Total Reserves	(1,510)

Cash flow statement

The Cash Flow Statement shows the changes in cash and cash equivalents of TfN during the reporting period. The statement shows how TfN generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. Cash flows from operating activities cover the inflows and outflows from TfN's regular business activities, and do not include investing activities (such as the purchase of assets) or financing activity (such as borrowing and cash management activities). Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the authority's future service delivery, such as the intangible assets under development. As TfN does not have powers to access credit – such as loans and overdrafts – it does not have cash flows relating to financing activities.

2021/22		2022/23
£000		£000
5,618	Net (surplus) or deficit on the provision of services	2,526
3,726	20 Adjustment to surplus or deficit on the provision of services for noncash movements	(2,013)
0	Adjustment for items included in the net surplus or deficit on the provision of services that are investing or financing activities	169
9,344	Net cash flows from operating activities	682
0	Net cash flows from investing activities	(149)
9,344	Net (increase) or decrease in cash and cash equivalents	533
18,021	Cash and cash equivalents at the beginning of the reporting period	8,677
8,677	Cash and cash equivalents at the end of the reporting period	8,144

Disclosure notes

Note 1 - Expenditure and funding analysis

The Expenditure and Funding Analysis (EFA) Statement shows how annual expenditure is used and funded from resources (principally grants) by TfN in comparison with those resources consumed or earned by the organisation in accordance with Generally Accepted Accounting Practices ("GAAP").

It also shows how this expenditure is allocated for decision making purposes between the TfN management and reporting areas. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement (CIES).

2021/22 As restated				2022/23		
Net Expenditure Chargeable to the General Fund Balance £000	Adjustments (see note 2) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000		Net Expenditure Chargeable to the General Fund Balance £000	Adjustments (see note 2) £000	Net Expenditure in the Comprehensive Income and Expenditure Statement £000
-	255	255	NPR/ DfT Analytical Support	-	-	-
1,250	179	1,429	Integrated and Smart Ticketing	-	-	-
23	255	278	Rail North Partnership	(66)	278	212
8,080	1,226	9,306	Operational Areas	7,428	1,245	8,674
9,352	1,915	11,267	Net Cost of Services	7,362	1,524	8,886
(6,003)	354	(5,649)	Other Income and Expenditure	(6,669)	309	(6,360)
3,349	2,269	5,618	Surplus or Deficit on Provision of Services	693	1,833	2,526
(7,947)			Opening Combined General Fund Balance	(4,598)		
3,349			Plus/less Surplus or Deficit on the General Fund Balance for the Year (Statutory basis)	693		
(4,598)			Closing Combined General Fund Balance	(3,905)		

Note 2 - Note to the expenditure and funding analysis

2022/23

	Net Capital Statutory Adjustments	Net Pensions Statutory Adjustments	Other Statutory Adjustments	Total Adjustments
	£000	£000	£000	£000
NPR/ DfT Analytical Support	-	-	-	-
Rail North Partnership	-	279	(1)	278
Operational Areas	-	1,271	(25)	1,246
Net Cost of Services	-	1,550	(26)	1,524
Other Income and Expenditure	-	309	-	309
Difference between the Statutory Charge and the Surplus or Deficit in the Comprehensive Income and Expenditure Statement	-	1,859	(26)	1,833

2021/22 As restated

	Net Capital Statutory Adjustments	Net Pensions Statutory Adjustments	Other Statutory Adjustments	Total Adjustments
	£000	£000	£000	£000
NPR/ DfT Analytical Support	-	287	(32)	255
Integrated and Smart Ticketing	185	9	(16)	178
Rail North Partnership	-	264	(10)	254
Operational Areas	-	1,299	(72)	1,227
Net Cost of Services	185	1,860	(130)	1,915
Other Income and Expenditure	92	262	-	354
Difference between the Statutory Charge and the Surplus or Deficit in the Comprehensive Income and Expenditure Statement	277	2,122	(130)	2,269

Net Capital Statutory Adjustments – this column adds in amortisation and impairment in the services line.

Net Pensions Statutory Adjustments - Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income.

- For services this represents the removal of the employer pension contributions made by the authority as allowed by statute and the replacement with current service costs and past service costs.

- For Other Income and Expenditure – the net interest on the defined benefit liability is charged to the CIES.

Other Statutory Adjustments – reversal of accumulated absence accruals from CIES to the accumulated absence account.

Note 3 - Accounting policies

General principles

The statement of accounts summarises TfN's transactions for the 2022/23 financial year and its position at the year-end of 31 March 2023. TfN is required to prepare an annual statement of accounts by the Accounts and Audit Regulations 2015, which determine the timing of when the statements must be produced. The Statements have to be published before 1st June. The Regulations also require that the accounts be prepared in accordance with proper accounting practices. These practices under Section 21 of the 2003 Act primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, supported by International Financial Reporting Standards (IFRS) and statutory guidance issued under Section 12 of the 2003 Act. The accounting convention adopted in the statement of accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

Going concern basis

TfN accounts for its operations on a going concern basis. This assumes that TfN will continue in operation for the foreseeable future.

TfN is party to a Memorandum of Understanding (MoU) with the Department for Transport that gives it the required comfort that it will continue to receive the necessary funding to discharge its statutory obligations into the future. Furthermore, the MoU commits the Department to an orderly winddown of TfN's affairs should future decisions be made by Government that either end or reduce TfN's funding.

Qualitative characteristics

The usefulness of financial statements is enhanced if they are comparable between similar organisations and between financial years. The Code of Practice promotes comparability by designating the form and content of the financial statements.

Accruals of income and expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from contracts with service recipients, whether for services or the provision of goods, is recognised when (or as) the goods or services are transferred to the service recipient in accordance with the performance obligations in the contract.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments is accounted for as income on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.

- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue in financing and investment income and expenditure for the income that might not be collected.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Prior period adjustments, changes in accounting policies and estimates and errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

Leases

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

Operating leases

Rentals paid under operating leases are charged to the Comprehensive Income and Expenditure Statement as an expense to the services benefitting from use of the leased property, plant or equipment. Charges are made on a straight-line basis over the life of the lease, even if this does not match the pattern of payments (e.g. there is a rent-free period at the commencement of the lease).

Events after the reporting period

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period, and the date the Statement of Accounts is authorised for issue.

Two types of events can be identified:

1. Those that provide evidence of conditions that existed at the end of the reporting period – the Statement of Accounts are adjusted to reflect such events.
2. Those that are indicative of conditions that arose after the reporting period – the financial statements are not adjusted to reflect such events, but where a category of events would have a material effect disclosure is made in the notes of the nature of the events and their estimated financial effect.

Events taking place after the date of authorisation for issue are not reflected in the financial statements.

Financial instruments

Financial liabilities

Financial liabilities are recognised on the Balance Sheet when the authority becomes a party to the contractual provisions of a financial instrument and are initially measured at cost and are carried at their amortised cost.

Financial assets

Financial assets are classified based on a classification and measurement approach that reflects the business model for holding the financial assets and their cash flow characteristics. TfN holds financial assets measured at amortised cost. TfN’s business model is to hold financial assets to collect contractual cash flows. Financial assets are therefore classified as amortised cost.

Government grants and contributions

Whether paid on account, by instalments, or in arrears, government grants and third-party contributions and donations are recognised as due to TfN when there is reasonable assurance that:

- TfN will comply with the conditions attached to the payments; and
- The grants or contributions will be received.

Amounts recognised as due to TfN are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset in the form of the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor. Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as liabilities. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-Specific Grant Income (non-ring-fenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

When capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. When it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure.

Overheads and support services

Costs of overheads and support services are charged to service segments in accordance with the authority's arrangements for accountability and financial performance.

Principally, programme areas in receipt of permissive discrete grant will be recharged for the incremental costs of support teams on a calculated basis as agreed by the Finance Director.

Provisions

Provisions are made where an event has taken place that gives TfN a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the authority may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement when the authority has an obligation and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the Comprehensive Income and Expenditure Statement.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the authority settles the obligation.

Reserves

Specific amounts are set aside as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund. When the expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the (Surplus) / Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.

Certain reserves are kept to manage the accounting processes for non-current assets and retirement benefits, and do not represent usable resources for TfN.

Revenue expenditure funded from capital under statute

Expenditure incurred during the year that may be capitalised under statutory provisions but that does not result in the creation of a non-current asset has been charged as expenditure to the relevant service in the Comprehensive Income and Expenditure Statement in the year.

Where TfN has determined to meet the cost of this expenditure from existing capital resources a transfer in the Movement in Reserves Statement from the General Fund Balance to the Capital Adjustment Account then reverses out the amounts charged so that there is no impact on the usable reserves of TfN.

Value added tax (VAT)

TfN neither provides services for consideration nor is able to recover the VAT incurred on expenditure. Costs are shown gross of VAT within the relevant service lines on the face of the CIES.

Intangible assets

Expenditure on non-monetary assets that do not have physical substance but are controlled by TfN as a result of past events (e.g. software development) is capitalised when it is expected that future economic benefits or service potential will flow from the intangible asset to TfN.

Internally generated assets are capitalised where it is demonstrable that the project is technically feasible and is intended to be completed (with adequate resources being available) and TfN will be able to generate future economic benefits or deliver service potential by being able to sell or use the asset.

TfN determines a project to be technically feasible when it has passed an outline business case government approval gateway, or another appropriate review point undertaken by suitably qualified professionals.

Expenditure is capitalised where it can be measured reliably as attributable to the asset and restricted to that incurred during the development phase (research expenditure cannot be capitalised).

Expenditure on the development of websites is not capitalised if the website is solely or primarily intended to promote or advertise TfN's goods or services.

Intangible assets are measured initially at cost. Amounts are only revalued where the fair value of the assets held by TfN can be determined by reference to an active market. In practice, no intangible asset held by the authority meets this criterion, and they are therefore carried at amortised cost. Where an intangible asset has an indefinite useful life, it shall not be amortised. Instead, it will be reviewed annually for impairment.

An asset is tested for impairment whenever there is an indication that the asset might be impaired – any losses recognised are posted to the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

Any gain or loss arising on the disposal or abandonment of an intangible asset is posted to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement.

Where expenditure on intangible assets qualifies as capital expenditure for statutory purposes, amortisation, impairment losses and disposal gains and losses are not permitted to have an impact on the General Fund Balance. The gains and losses are therefore reversed out of the General Fund Balance in the Movement in Reserves Statement and posted to the Capital Adjustment Account and (for any sale proceeds greater than £10,000) the Capital Receipts Reserve.

Employee benefits**Benefits payable during employment**

Short term employee benefits are those due to be settled within 12 months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees and are recognised as an expense for services in the year in which employees render service to TfN.

An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end that employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to surplus or deficit on the provision of services, but then reversed out through the Movement in Reserves Statement to the accumulated absences account so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination benefits

Termination benefits are amounts payable as a result of a decision by TfN to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy in exchange for those benefits. They are charged on an accruals basis to the appropriate service segment in the Comprehensive Income and Expenditure Statement at the earlier of when TfN can no longer withdraw the offer of those benefits or when TfN recognises costs for a restructuring.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by TfN to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

Post-employment benefits

Employees of TfN are enrolled in the Local Government Pension Scheme (LGPS). TfN pays an employer's contribution into the Greater Manchester Pension Fund, which is a fully funded defined benefit scheme administered by Tameside Metropolitan Borough Council.

The liabilities of the Greater Manchester Pension Fund attributable to TfN are included in the Balance Sheet on an actuarial basis using the projected unit method, i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates and projections of projected earnings for current employees.

Liabilities are discounted to their value at current prices, using a discount rate advised by the actuary as specified in the defined benefit pension scheme note.

The assets of the Greater Manchester Pension Fund attributable to the authority are included in the Balance Sheet at their fair value:

1. quoted securities – current bid price
2. unquoted securities – professional estimate
3. unitised securities – current bid price
4. property – market value.

The change in the net pensions liability is analysed into the following components:

- Service cost comprising:
 - o current service cost – the increase in liabilities as a result of years of service earned this year – allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked
 - o past service cost – the increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years – debited

to the surplus or deficit on the provision of services in the Comprehensive Income and Expenditure Statement

- o net interest on the net defined benefit liability (asset), i.e. net interest expense for the authority – the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the financing and investment income and expenditure line of the Comprehensive Income and Expenditure Statement – this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability (asset) at the beginning of the period – taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - o the return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset) – charged to the pensions reserve as other comprehensive income and expenditure – actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the pensions reserve as other comprehensive income and expenditure.
 - o contributions paid to the TfN pension fund – cash paid as employer’s contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, statutory provisions require the General Fund balance to be charged with the amount payable by the authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are transfers to and from the pensions reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the pensions reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary benefits

The authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff (including teachers) are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

Note 4 - Critical judgements in applying accounting policies

In applying the Accounting Policies, the authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are as follows:

- As the majority of TfN funding comes from grants awarded by the Department for Transport, a key judgement is whether the grants include conditions or restrictions which impact on the recognition of these grants through the Comprehensive Income and Expenditure Statement.

Note 5 - Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by TfN about the future, or that are otherwise uncertain. Estimates are made taking into account historical experience,

current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

Pension liability

Estimation of the net liability to pay pensions depends on several complex judgements relating to the discount rate used, the rate at which salaries are expected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. TfN engaged Hymans Robertson LLP as consulting actuaries to provide expert advice as to the assumptions to apply.

The effect on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% decrease in the Real Discount Rate would increase the defined benefit obligation by £439k. However, the assumptions interact in complex ways; details of the sensitivities are set out in Note 27.

Note 6 - Material items of income and expense

There were no unusual or unexpected items of income and expenditure in the year.

Note 7 - Events after the reporting period

The Statement of Accounts was authorised for issue by the Finance Director 31 May 2023. Events taking place after this date are not reflected in the financial statements or notes. Where events taking place before this date provided information about conditions existing at 31 March, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

Note 8 - Grant income

TfN is almost entirely funded from grants and contributions. Those values can be recognised in the CIES either on the non-specific income line, or on the services lines. The distinction between the two treatments principally reflects conditions or restrictions on those grants, and whether the grants are for capital or revenue expenditure.

Grants that are restricted to discrete activity are shown on the service lines.

Grant income credited to services

2021/22	2022/23
£000	£000
(41,437) NPR Transport Development Fund	(5,394)
352 Integrated & Smart Ticketing Revenue	-
(809) Rail North Partnership Grant	(962)
- In-year funding	(265)
(17) External Audit - Redmond Review support grant	(16)
(61) Rail North Local Contributions	(62)
(567) Rail North Rail Grant (via Local Contributions)	(584)
(42,539) Total Grant Income Credited to Services	(7,283)
(252) Contract Income - Rail Services	(192)
(42,791) Total Income Credited to Services in CIES	(7,474)

Grants with conditions that may require unused allocations to be returned are shown as grants received in advance as a current liability. Grant received to fund NPR analytical support must be returned to the Department for Transport if not required.

Grant receipts in advance - revenue

2021/22	2022/23
£000	£000
(336) Department for Transport Project Funding	(71)
(10) Trans Pennine Tunnel Traffic Modelling	-
- NPR Transport Development Fund	(467)
- Core grant 2023/24	(2,754)
(346) Total	(3,293)

Grants without restrictions, and capital grants that have either been applied to expenditure or are yet to be applied to expenditure are recognised on the non-specific grant income line. The following note details all grants recognised in this manner:

Grant income credited to taxation and non-specific grant income and expenditure

2021/22	2022/23
£000	£000
(6,000) Core Grant	(6,500)
92 Intergrated & Smart Ticketing Capital	-
(5,908) Total	(6,500)

Note 9 - Adjustments between accounting basis and funding basis under regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by TfN in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to TfN to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

General fund balance

The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that TfN is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that TfN is required to recover) at the end of the financial year.

Capital grants unapplied

The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which TfN has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place. TfN no longer holds any capital grant.

2022/23

	General Fund Balance	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000
Adjustments to the Revenue Resources			
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:			
Pension cost (transferred to (or from) the Pensions Reserve)	(1,859)	-	1,859
Holiday pay (transferred to the Accumulated Absences Reserve)	26	-	(26)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to Capital Adjustment Account)	-	-	-
Total Adjustments to Revenue Resources	(1,833)	-	1,833
Adjustments between Revenue and Capital Resources			
Capital expenditure financed from Capital Grants Unapplied	-	-	-
Total Adjustments between Revenue and Capital Resources	-	-	-
Total Adjustments	(1,833)	-	1,833

2021/22

	General Fund Balance	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000
Adjustments to the Revenue Resources			
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:			
Pension cost (transferred to (or from) the Pensions Reserve)	(2,122)	-	2,122
Holiday pay (transferred to the Accumulated Absences Reserve)	130	-	(130)
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to Capital Adjustment Account)	(185)	-	-
Total Adjustments to Revenue Resources	(2,177)	-	1,992
Adjustments between Revenue and Capital Resources			
Capital expenditure financed from Capital Grants Unapplied	-	185	-
Total Adjustments between Revenue and Capital Resources	-	185	-
Total Adjustments	(2,177)	185	1,992

Note 10 – Movement in earmarked reserves

This note sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

	Balance at 31 March 2021	Transfers (in)/out	Balance at 31 March 2022	Transfers (in)/out	Balance at 31 March 2023
	£000	£000	£000	£000	£000
Earmarked general fund reserves:					
Integrated and Smart Ticketing Revenue Funding Reserve	(1,250)	1,250	-	-	-
Earmarked Devolved Powers Reserve	(500)	-	(500)	500	-
Earmarked RNP Grant Reserve	(31)	-	(31)	(66)	(97)
Total earmarked general fund reserves	(1,781)	1,250	(531)	434	(97)

Note 11 - Financing and investment income and expenditure

This note shows the incidental income generated by holding cash on deposit until it is required to resource expenditure, and also the interest costs associated with pension liabilities.

2021/22	2022/23
£000	£000
492 Interest payable on the net defined benefit liability	681
(233) Interest receivable and similar income	(541)
259 Total	140

Note 12 - Taxation and non-specific grant income

TfN does not have legal powers to raise precepts on the northern tax base and is almost entirely funded from grant resource. Some of this grant resource is discrete to programmes of activity and comes with restrictions on its use. Other grant, such as TfN’s Core grant, is awarded without restrictions and is accounted for as ‘non-specific’ grant.

This note shows the value of non-specific grants and those capital grants not shown on the service lines of the comprehensive income and expenditure statement that have been recognised in year.

2021/22	2022/23
£000	£000
(6,000) TfN Core Grant	(6,500)
92 Integrated and Smart Ticketing Capital Grant	-
(5,908) Total	(6,500)

Note 13 - Expenditure and income analysed by nature

This note analyses TfN’s income and expenditure by standardised descriptors. The note highlights that TfN is almost entirely funded from governmental grant and contributions, whilst the costs associated with professional service contracts and programme delivery is shown in ‘other service expenses.’

2021/22	2022/23
£000	£000
Nature of Expenditure or Income	
(253) Fees, charges and other service income	(192)
(233) Interest and investment income	(541)
(48,446) Government grants and contributions	(13,783)
10,600 Employee benefits expenses	8,995
43,458 Other service expenses	7,366
491 Interest payments	681
5,618 (Surplus) or Deficit for Year	2,526

Other service expenses includes all professional service costs, accommodation and business infrastructure costs relating to all activities delivered by TfN. Following the restructuring exercise

carried out in the year, employee benefits expenses now make up the largest share of our expenditure, with a reduced level of professional services expenditure.

Note 14 - Intangible assets

TfN accounts for its software and software development as intangible assets.

The intangible assets include both purchased licenses and the costs of internally generated software development. Where assets are operational, they are amortised in line with TfN’s accounting policies, with charges commencing in the year after which they become operational.

31 March 2022				31 March 2023		
Assets Under Development	Operational Assets	Total		Assets Under Development	Operational Assets	Total
£000	£000	£000		£000	£000	£000
-	3,482	3,482	Balance at start of year:	-	-	-
-	(3,482)	(3,482)	Gross carrying amounts	-	1,009	1,009
-	-	-	Accumulated amortisation	-	(1,009)	(1,009)
-	-	-	Net carrying amount at start of year	-	-	-
-	-	-	Additions:	-	-	-
-	-	-	- Internal development	-	-	-
-	-	-	Assets that became operational in the year	-	-	-
-	256	256	Amortisation for the period	-	-	-
-	(2,473)	(2,473)	Disposal	-	-	-
-	2,217	2,217	Impairment losses recognised in the surplus/ deficit on the provision of services	-	-	-
-	-	-	Net carrying amount at end of year	-	-	-
-	1,009	1,009	Comprising:	-	1,009	1,009
-	(1,009)	(1,009)	- Gross carrying amounts	-	1,009	1,009
-	-	-	- Accumulated amortisation and impairment	-	(1,009)	(1,009)
-	-	-	Total	-	-	-

All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the authority. The useful lives assigned to the major software suites used by the authority are:

Useful Life (Years)	Internally Generated Assets	Other Assets
ERP	3	0
Integrated Smart Ticketing	5	0

The note also recognises the development and implementation of TfN’s enterprise resource planning (ERP) system asset valued at £1.01m (2022: £1.01m). The ERP system is in use and is shown under the ‘operational assets’ column. The ERP system asset has been fully amortised.

Note 15 - Debtors

This note shows the value of money owed to TfN and the value of prepayments recognised. Sums due from TfN Partners reflects contributions due from Rail North authorities.

Total debtors include financial assets of £0.56m (2022: £1.21m), which are carried at amortised cost. There is no significant difference between the carrying value and the fair value of these financial assets. There is no significant credit risk in relation to TfN’s financial assets.

31 March 2022	31 March 2023
£000	£000
1 Employees	-
1,043 Department for Transport	-
17 Department for Levelling Up, Housing and Communities	-
200 Prepayments	165
144 TfN Partners	543
- Other	20
1,405 Total Debtors	728

Note 16 – Cash & cash equivalents

At any time, we will hold cash in the bank or on deposit. This reflects TfN’s reserve strategy to mitigate financial shock, and also inevitable timing differences between grants being received and cash being paid to suppliers and employees. The balance of cash and cash equivalents is made up of the following elements:

31 March 2022	31 March 2023
£000	£000
8,677 Cash and Bank Balances	6,144
- Short Term Investments	2,000
8,677 Total Cash and Cash Equivalents	8,144

Note 17 - Creditors

This note shows the value of obligations to employees and suppliers.

31 March 2022	31 March 2023
£000	£000
(114) Employees	(89)
(20) HMRC	(16)
- Greater Manchester Pension Fund	(218)
(448) Department for Transport	-
Train Operating Companies:	
(62) Arriva Rail North/ Northern Trains Ltd.	-
(51) Transpennine Express	-
(26) Merseytravel	-
TfN Partners:	
(606) Transport for Greater Manchester	(141)
(60) North East Combined Authority	-
(1,229) Network Rail	-
(2,567) Trade Suppliers	(1,059)
(5,183) Total Creditors	(1,522)

Obligations to employees include the accounting value associated with the accumulated absence provision – the financial value of untaken leave as at the financial year-end.

Amounts owed to TfN partners relate to TfN’s Manchester office space, which is leased from Transport for Greater Manchester (TfGM).

The table above includes financial liabilities of £1.52m (2022: £5.18m) which are carried at amortised cost. There is no significant difference between the carrying value and fair value of these financial

liabilities. There is no significant market or liquidity risk in relation to these financial liabilities which are all due to mature within 1 year.

Note 18 - Provisions

Provisions reflect the amount set aside for probable, but uncertain, economic obligations. At 31 March 2023 this only included forecast amounts due to settle contractual issues with suppliers.

31 March 2022		31 March 2023
£000	Total Provisions	£000
(68)	Opening Balance	(68)
-	(Increase)/decrease in provision during year	(172)
(68)	Closing Balance	(240)

Note 19 - Reserves

TfN holds both usable and unusable reserves. Usable reserves can be used to fund TfN activities, and some of these may be earmarked to support specific types of activity. Unusable are those reserves that do not contain resource that could be applied to meet TfN’s funding requirements. These are largely accounting reserves where the effects of timing differences and statutory overrides of accounting rules are recognised.

Usable reserves

The following reserves can be used to fund TfN activities. The General Fund can be used to fund any activity but the other reserves are to be used only for specific activities.

2021/22	2022/23
£000	£000
(500)	-
(31)	(97)
(4,067)	(3,808)
(4,598) Total	(3,905)

The Board in the past earmarked reserve for use in response to changes to devolved powers, this has now been released back to the general fund reserve.

Unusable reserves

The following reserves are unusable for reasons explained below.

2021/22	2022/23
£000	£000
10,454	2,308
113	87
10,567 Total	2,395

Capital Adjustment Account

The capital adjustment account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or additions to those assets under statutory provisions. The account is debited with the cost of acquisition, construction or subsequent costs as impairment losses and amortisations are charged to the

Comprehensive Income and Expenditure Statement. The account is credited with the amounts set aside by the authority as finance for the costs of acquisition, construction and subsequent expenditure.

2021/22 £000	2022/23 £000
- Balance 1 April	-
(2,217) Charges for depreciation and impairment of non-current assets	-
(256) Amortisation of intangible assets	-
185 Revenue expenditure funded from capital under statute	-
Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	-
2,473	-
185 Net written out amount of the cost of non-current assets consumed in the year	-
Application of grants and contributions from the Capital Grants	-
(185) Unapplied Reserve	-
(185) Capital financing applied in year	-
- Balance 31 March	-

Pension reserve

The pensions reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the authority makes employer’s contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the pensions reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the authority has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2021/22 £000	2022/23 £000
11,889 Balance at 1 April	10,454
(3,557) Remeasurements of the net defined benefit (liability)/asset	(10,005)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	2,706
3,436	2,706
(1,314) Employer's pensions contributions and direct payments to pensioners payable in the year	(847)
10,454 Balance at 31 March	2,308

Accumulated absences account

The accumulated absences account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund balance is neutralised by transfers to or from the account.

2021/22 £000	2022/23 £000
243 Balance 1 April	113
Settlement or cancellation of accrual made at the end of the (243) preceding year	(113)
113 Amounts accrued at the end of the current year	87
(130) Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in year in accordance with statutory requirements	(26)
113 Balance 31 March	87

Note 20 - Cash flow from operating activities

The cash flow from the net surplus/deficit on operating activities includes some items that are not cash based. These items require an adjustment to be made as detailed below which covers the operating surplus or deficit to a cash basis.

2021/22 £000	2022/23 £000
2,217 Impairment and downward valuations	-
256 Amortisation	-
(2,473) Disposal of intangible assets	-
4,948 (Increase)/decrease in creditors	715
900 Increase/(decrease) in debtors	(696)
(2,122) Movement in pension liability	(1,859)
- Other non-cash movements charged to the surplus or deficit on provision of services	(172)
3,726 Total	(2,013)

Note 21 - Cash flow from investing activities

2021/22 £000	2022/23 £000
- Other receipts from investing activities	(149)
0 Net cash flows from investing activities	(149)

Note 22 - Members' allowances

The authority pays an allowance to the Independent Members of its Audit and Governance Committee.

2021/22 £	2022/23 £
2,400 Independent Audit & Governance Committee Members	1,100

Note 23 - Officers' remuneration

Under statutory provisions TfN is required to disclose the remuneration of senior officers. Senior officers include the Head of Paid Service – TfN's principal paid officer – and those officers who report to that post or hold statutory office. TfN also discloses the pay of its chairman as an individual in a position of significant influence.

The remuneration paid to the authority's senior employees was as follows:

2022/23	Salary	Employer Pension Contribution	Taxable Allowances	Professional Memberships	Redundancy Payments
Role	(£)	(£)	(£)	(£)	(£)
Chief Executive (Head of Paid Service)					
<i>Martin Tugwell</i>	154,550	26,892	-	-	-
Chairman (pro-rata)					
<i>Patrick McLoughlin</i>	60,000	-	-	-	-
- <i>Chairman full-time equivalent</i>	225,000				
Rail & Roads Director	20,765	3,613	-	-	-
- <i>Joined 06/02/23</i>					
Strategy, Analysis and Communications Director	15,892	2,765	-	-	-
- <i>Joined 06/02/23</i>					
Rail North Partnership Director	125,435	21,826	-	-	-
Chief Financial Officer (Section 151)	121,475	21,137	-	415	-
Head of Legal Services (Monitoring Officer)	93,360	16,245	-	316	-
Major Roads Programme Director	32,950	4,597	87	362	163,413
- <i>Departed 01/07/22</i>					
Strategic Rail Director	125,435	21,826	379	-	-
- <i>Role removed 31/03/23</i>					
Business Capabilities Director	88,619	13,569	-	-	197,808
- <i>Departed 14/11/22</i>					
Strategy and Policy Director	119,822	20,849	-	-	-
- <i>Departed 31/03/23</i>					

2021/22	Salary	Employer Pension Contribution	Taxable Allowances	Professional Memberships	Severance Payments
Role	(£)	(£)	(£)	(£)	(£)
Chief Executive (Head of Paid Service)					
<i>Barry White - departed 15/05/21</i>	22,056	3,532	-	-	-
<i>Martin Tugwell - joined 02/08/21</i>	102,151	17,774	-	-	-
Chairman (pro-rata)					
<i>John Cridland - departed 27/07/21</i>	18,000	-	-	-	-
<i>Patrick McLoughlin - joined 25/01/22</i>	10,000	-	-	-	-
- <i>Chairman full-time equivalent</i>	225,000				
NPR Programme Director	149,475	21,605	65	343	-
- <i>Departed 31/03/2022</i>					
Major Roads Programme Director	98,808	17,193	254	429	-
Strategic Rail Director	123,510	21,491	204	-	-
Rail North Partnership Director	123,510	21,491	-	-	-
Chief Financial Officer (Section 151)	142,417	24,781	231	82	-
- <i>Departed 16/03/22 (see note)</i>					
Chief Financial Officer (Section 151)	19,995	3,479	-	67	-
- <i>Joined 01/02/22 (see note)</i>					
Business Capabilities Director	128,417	21,491	-	-	-
Head of Legal Services (Monitoring Officer)	91,435	15,910	-	306	-
Strategy and Policy Director	£112,277	£19,536	-	-	-

Note: during February and part of March 2022 there was a short handover period between the departing and incumbent Chief Financial Officer.

TfN is also required to disclose the number of officers whose remuneration is in excess of £50,000. Remuneration is inclusive of salaries and other taxable benefits, but not employer pension contributions. This disclosure is made in bands of £5k and does not include those senior officers detailed above:

2021/22		2022/23	
12	£50,000 – £54,999	8	
8	£55,000 – £59,999	9	
10	£60,000 – £64,999	7	
2	£65,000 – £69,999	4	
2	£70,000 – £74,999	3	
5	£75,000 – £79,999	2	
3	£80,000 – £84,999	5	
1	£85,000 – £89,999	1	
-	£90,000 – £94,999	-	
1	£95,000 – £99,999	-	
44		39	

The numbers of exit packages (for all officers including the senior employees detailed above) with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit package cost band (including special payments)	No. of compulsory redundancies		No. of other departures agreed		Total no. of exit packages by cost band		Total no. of exit packages by cost band	
	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23
£0 - £20,000		1	1	2	1	3	17,686	33,897
£20,000 - £40,000			2	5	2	5	48,046	158,064
£40,001 - £60,000	1				1	-	54,223	-
£60,001 - £80,000					-	-	-	-
£80,001 - £100,000			1		1	-	97,100	-
£100,001 - £150,000				2	-	2	-	361,220
Total cost included in bandings and in the CIES							217,055	553,181

The total cost of £553k in the table has been charged to the CIES in the current year.

Note 24 - External audit costs

The fees payable to external auditors in 2022/23 with regard to external audit services carried out by the appointed auditor were £36k (2022: £45k).

Note 25 - Related parties

TfN's Board is made up of elected and Local Enterprise Partnership (LEP) representatives from all areas of the North, along with Secretary of State for Transport and co-opted non-voting representatives from Highways England, Network Rail and HS2 Ltd.

As a result of this governance structure TfN enters into a variety of financial transactions with partner organisations with whom we share common control.

This note seeks to highlight areas where transactions could have potentially been entered other than at arms-length.

Members

TfN's elected members have direct control over TfN's financial and operating policies. Members' interests outside of TfN are recorded in the register of gifts and hospitality maintained by the Monitoring Officer. These interests include positions held by members in other public bodies and private interests.

Material financial relationships between TfN and those bodies are detailed below.

Officers

Officers may be able to influence financial or operational practices. There were no transactions in 2022/23 with bodies in which officers had a pecuniary interest and were able to exercise such an influence.

Funding

TfN is almost entirely funded from the Department for Transport. The Secretary of State for Transport is represented on the Transport for the North Board leading to common control. During the financial year, grants to a value of £16.75m (2022: £48.59) were received from the Department, which combined with the balance of grants received in the prior year made £16.41m of grant available. Of this, £13.12m (2022: £48.25m) was recognised as income in the year, the remaining £3.29m (2022: 0.34m) of unused grant is held as grant received in advance for use in the following financial year.

TfN is the recipient of local funding contributions for its Rail North activities. These contributions are made by the Rail North authorities and amounted to £0.65m (2022: £0.63m) in the year. The northern Rail North authorities are represented on the Transport for the North Board, whilst all authorities sit on the Rail North Committee

TfN is also party to several contracts where it delivers prescribed services for partners. This includes project management work for North Yorkshire County Council and services funded by Network Rail related to the Trans-Pennine Route Upgrade project. In 2022/23 income was recognised to the value of £0.18m (2022: £0.25m).

Expenditure

Over the course of the year TfN was party to several arrangements where partner bodies supplied goods or services to the organisation.

Transport for Greater Manchester (TfGM) is the regional transport executive for Greater Manchester and controlled via Greater Manchester Combined Authority, a TfN Constituent Authority, the mayor of which is a Transport for the North Board member. Throughout the year TfGM has provided elements of information and communications technology and facilities management support to the organisation on a contractual basis, whilst TfN's Manchester based office space is leased from TfGM. In total, TfN incurred expenditure of £0.52m (2022: £0.48m) with Transport for Greater Manchester.

Note 26 - Capital Expenditure and Capital Financing

Following the closure of the Integrated and Smart Ticketing programme, TfN did not incur any capital expenditure in the year.

2021/22 £000	2022/23 £000
- Opening Capital Financing Requirement	-
Capital Investment:	
- Intangible Assets	-
185 Revenue Expenditure Funded from Capital Under Statute	-
185 Total Capital Spending	-
Sources of Finance:	
(185) Government grants and other contributions	-
(185) Total Sources of Finance	-
- Closing Capital Financing Requirement	-

Note 27 - Defined benefit pension scheme

As part of the terms and conditions of employment of its officers, TfN makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, TfN has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Greater Manchester Pension Fund is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of Tameside Metropolitan Borough Council as the administering body. Policy is determined in accordance with the Pensions Fund Regulations.

The principal risks to the authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. largescale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

General fund transactions

Comprehensive Income & Expenditure Statement	
Cost of Services	
2021/22	2022/23
£000	£000
Service cost compromising:	
2,963 Current service cost	2,026
211 Past service cost	371
262 Net interest expense	309
3,436 Total charged to Surplus or Deficit on Provision of Services	2,706
Other post employment benefits charged to the Comprehensive Income & Expenditure Statement	
2021/22	2022/23
£000	£000
Re-measurement of the net defined benefit liability comprising:	
(859) Return on plan assets (excluding the amount included in the net interest expense)	136
Other Experience	(2,441)
(255) Actuarial gains and losses arising on changes in demographic assumptions	(955)
(2,496) Actuarial gains and losses arising on changes in financial assumptions	(13,299)
53 Actuarial gains and losses arising on changes in other assumptions	6,554
(3,557) Total charged to Other Comprehensive Income & Expenditure Statement	(10,005)
(121) Total charged to the Comprehensive Income & Expenditure Statement	(7,299)
Movement in Reserves Statement	
2021/22	2022/23
£000	£000
(3,436) Reversal of net charges made to the Surplus or Deficit on the Provision of Services	(2,706)
Actual amount charged against the General Fund balance for pensions in the year	
1,314 Employers' contributions payable to the scheme	847

Pensions assets and liabilities recognised in the balance sheet

The amount included in the Balance Sheet arising from the authority's obligation in respect of its defined benefit plans is as follows:

2021/22	2022/23
£000	£000
(23,596) Present value of the defined obligation	(18,932)
13,142 Fair value of plan assets	16,624
(10,454) Net Asset / (liability)	(2,308)

Reconciliation of the movements in the fair value of scheme (plan) assets

2021/22	2022/23
£000	£000
10,266 Opening fair value of scheme assets	13,142
- Revaluation of opening fair value of scheme assets	-
10,266 Revised opening fair value of scheme assets	13,142
229 Interest income	372
Re-measurement gain/(loss):	
859 Return on plan assets (excluding the amount included in the net interest expense)	(136)
Other Experience	2,441
1,314 Contributions from employer	847
536 Contributions from employees into the scheme	428
(62) Net benefits paid out	(470)
13,142 Reconciliation of the movements in the fair value of the scheme (plan) assets	16,624

Reconciliation of present value of the scheme liabilities (defined benefit obligation)

2021/22	2022/23
£000	£000
(22,155) Opening balance at 1 April	(23,596)
(2,963) Current service cost	(2,026)
(491) Interest cost	(681)
(536) Contributions from scheme participants	(428)
Re-measurement gains and losses:	
255 Actuarial gains and losses arising on changes in demographic assumptions	955
2,496 Actuarial gains and losses arising on changes in financial assumptions	13,299
(53) Actuarial gains and losses arising on changes in other assumptions	(6,554)
(211) Past service cost	(371)
62 Net benefits paid out	470
(23,596) Reconciliation of the present value of scheme liabilities (defined benefit obligation)	(18,932)

Discretionary post-retirement benefits

Discretionary post-retirement benefits on early retirement are an unfunded defined benefit arrangement, under which liabilities are recognised when awards are made. There are no plan assets built up to meet these pension liabilities.

Transactions relating to post-employment benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions.

However, the charge we are required to make is based on the cash payable in the year, so the real cost of post-employment/retirement benefits is reversed out of the general fund via the movement in reserves statement. The following transactions have been made in the comprehensive income and expenditure statement and the general fund balance via the Movement in Reserves Statement during the year.

Local Government Pension Scheme assets comprised

2021/22			2022/23		
Quoted £000	Unquoted £000	Total £000	Quoted £000	Unquoted £000	Total £000
411	-	411	422	-	422
Cash & cash equivalents					
Equity Securities					
1,023	-	1,023	999	-	999
Consumer					
914	-	914	919	-	919
Manufacturing					
622	-	622	821	-	821
Energy & utilities					
1,374	-	1,374	1,418	-	1,418
Financial institutions					
701	-	701	833	-	833
Health and care					
702	-	702	1,173	-	1,173
Information technology					
161	-	161	189	-	189
Other					
5,497	-	5,497	6,352	-	6,352
Subtotal Equity Securities					
Debt Securities					
525	-	525	663	-	663
Corporate bonds (investment grade)					
-	-	-	-	-	-
Corporate bonds (non-investment grade)					
226	-	226	397	-	397
UK Government					
390	-	390	495	-	495
Other					
1,141	-	1,141	1,555	-	1,555
Subtotal Debt Securities					
Private Equity					
-	929	929	-	1,244	1,244
All					
-	929	929	-	1,244	1,244
Subtotal Private Equity					
Real Estate					
-	509	509	-	647	647
UK property					
-	509	509	-	647	647
Subtotal Real Estate					
Investment Funds & Unit Trusts					
870	-	870	888	-	888
Equities					
1,356	-	1,356	1,476	-	1,476
Bonds					
-	-	-	-	-	-
- Hedge Funds					
-	-	-	-	-	-
- Commodities					
-	762	762	-	1,329	1,329
Infrastructure					
265	1,491	1,756	405	2,309	2,714
Other					
2,491	2,253	4,744	2,769	3,637	6,406
Subtotal Investment Funds & Unit Trusts					
Derivatives					
(89)	-	(89)	-	-	-
Other					
(89)	-	(89)	-	-	-
Subtotal Derivatives					
9,451	3,691	13,142	11,097	5,528	16,624
Total Assets					

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit credit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, etc.

Both the Local Government Pension Scheme and discretionary benefits liabilities have been estimated by Hymans Robertson LLP, an independent firm of actuaries, estimates for the fund being based on the latest full valuation of the scheme as at 31 March 2022.

Financial

Period Ended	31 March 2023	31 March 2022
	%p.a.	%p.a.
Pension Increase Rate (CPI)	2.95%	3.15%
Salary Increase Rate	3.75%	3.90%
Discount Rate	4.75%	2.75%

Mortality

	Male	Female
Current Pensioners	22.1 years	24.2 years
Future Pensioners*	22.9 years	25.7 years

*Figures assume members aged 45 as at the last formal valuation date.

Historic mortality

Life expectancies for the prior period end are based on the Fund’s VitaCurves. The allowance for future improvements is shown below:

Current pensioners	Future pensioners
VitaCurves with improvements in line with the CMI 2021 model, assuming an initial adjustment of 0.25% and a long-term rate of improvement of 1.50% p.a.	VitaCurves with improvements in line with the CMI 2021 model, assuming an initial adjustment of 0.25% and a long-term rate of improvement of 1.50% p.a.

Please note that the mortality assumptions used to value the obligations in the employer’s closing position are different to those used to value the obligations in the employer’s opening position.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits.

Sensitivity analysis

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one-year increase in life expectancy would approximately increase the Employer’s Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages). In order to quantify the impact of a change in the financial assumptions used, we have calculated and compared the value of the scheme obligations at the accounting date on varying bases. The approach taken is consistent with that adopted to derive the accounting figures provided in this report, based on the profile (average member ages, retirement ages etc) of the Employer as at the date of the most recent valuation.

The sensitivities regarding the principal assumptions used to measure the scheme are set out below:

Change in assumptions at 31 March 2023	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	477
1 year increase in member life expectancy	4%	757
0.1% increase in the Salary Increase Rate	0%	48
0.1% increase in the Pension Increase Rate (CPI)	2%	441

Note 28 - Leases

TfN has one property held under operating lease comprising the Manchester office. TfN also holds an operating lease for ICT equipment. The minimum lease payments due under non-cancellable leases in future years are:

31 March 2022 £000	31 March 2023 £000
313 Not later than one year	173
142 Later than one year and not later than 5 years	-
455 Total	173

The expenditure charged to the relevant service area within the comprehensive income and expenditure statement during the year in relation to these leases reflects a rent-free period on one of the leases which has been spread over the life of the lease in accordance with the Code. The charge was £0.49m (2022: £0.59m).

Note 29 – Prior Year Adjustment

In 2022/23 TfN adopted a new reporting structure, the new structure has been reflected in the comprehensive income and expenditure statement and the expenditure and funding analysis. The prior year comparatives have been amended as shown in the tables below.

Comprehensive income and expenditure statement

	As previously reported			Restatement	As restated		
	Expenditure	Income	Net		Expenditure	Income	Net
	£000	£000	£000		£000	£000	£000
Major Road Programme (Strategic Development Corridors)	1,850	-	1,850	(1,850)			
Northern Powerhouse Rail	41,692	(41,437)	255	(255)			
Integrated and Smart Ticketing	1,077	352	1,429	-	1,077	352	1,429
Rail Operations	3,337	(1,689)	1,648	(1,648)			
Operational Areas	6,102	(17)	6,085	(6,085)			
NPR/ DFT Analytical Support				255	41,692	(41,437)	255
Rail North Partnership				278	1,270	(992)	278
Operational Areas				9,306	10,019	(714)	9,306
Cost of Services	54,058	(42,791)	11,267	0	54,058	(42,791)	11,267

Expenditure and funding analysis

	As previously reported			Restatement	As restated		
	Net Expenditure Chargeable to the General Fund Balance	Adjustments	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund Balance	Adjustments	Net Expenditure in the Comprehensive Income and Expenditure Statement
	£000	£000	£000		£000	£000	£000
Major Road Programme (Strategic Development Corridors)	1,747	103	1,850	(1,850)			
Northern Powerhouse Rail	-	255	255	(255)			
Integrated and Smart Ticketing	1,250	179	1,429	-	1,250	179	1,429
Rail Operations	1,237	411	1,648	(1,648)			
Operational Areas	5,118	967	6,085	(6,085)			
NPR/ DFT Analytical Support				255	-	255	255
Rail North Partnership				278	23	255	278
Operational Areas				9,306	8,080	1,226	9,306
Cost of Services	9,352	1,915	11,267	-	9,353	1,915	11,268

	As previously reported				Restatement	As restated			
	Net Capital Statutory Adjustments	Net Pensions Statutory	Other Statutory Adjustments	Total Adjustments		Net Capital Statutory Adjustments	Net Pensions Statutory	Other Statutory Adjustments	Total Adjustments
	£000	£000	£000	£000		£000	£000	£000	£000
Major Road Programme (Strategic Development Corridors)	-	107	(4)	103	(103)	-	-	-	-
Northern Powerhouse Rail	-	287	(32)	255	(255)	-	-	-	-
Integrated and Smart Ticketing	185	9	(16)	178	-	185	9	(16)	178
Rail Operations	-	427	(16)	411	(411)	-	-	-	-
Operational Areas	-	1,030	(62)	968	(968)	-	-	-	-
NPR/ DFT Analytical Support					255	-	287	(32)	255
Rail North Partnership					254	-	264	(10)	255
Operational Areas					1,227	-	1,299	(72)	1,227
Net Cost of Services	185	1,860	(130)	1,915	(0)	185	1,860	(130)	1,915

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Annual Governance Statement 2022/23

Introduction

This statement provides an overview of how Transport for the North's governance arrangements operate and reports on how they have been reviewed to ensure that they provide an effective system of internal control.

Transport for the North was established from 1 April 2018 by the Sub-National Transport Body (Transport for the North) Regulations 2018 ("the 2018 Regulations"). This is its fifth Annual Governance Statement and its Constitution, policies, procedures, and systems continued to be developed during 2022/23. As a Sub-National Transport Body, Transport for the North's core functions are to prepare a Transport Strategy for the area and to provide advice to the Secretary of State regarding the exercise of transport functions in the area. Other powers devolved to TfN are included in the Regulations. Transport for the North is funded in this work by the DfT.

The Transport for the North Board is made up of the representatives of the 21 (formerly 20) Constituent Authorities in the North (in 2023 following the dissolution Cumbria County Council was dissolved and replaced by Cumberland and Westmorland and Furness, at the same time North Yorkshire County Council was replaced by North Yorkshire Council) who are the voting Members of the Board, together with representatives of the six Rail North Authorities and the Independent Chair of the Partnership Board who are all non-voting co-opted Members on the Board.

The Transport for the North Board has also appointed, as non-voting co-opted members, the representatives of the 11 Local Enterprise Partnerships (LEPs) in the Transport for the North Area and representatives of National Highways (formerly Highways England), Network Rail and HS2. Following the Government's announcement that the central funding of LEPs is to be discontinued, the Board will give consideration in 2023/24 as to how the business voice will continue to be represented moving forward. Transport for the North's governance arrangements are set out in its Constitution. Changes to the Constitution (except for minor amendments which can be made under officer delegated authority), approval of the Budget and Business Plan and adoption of the Strategic Transport Plan are reserved to the Transport for the North Board. Other decisions are delegated to Committees, the Chief Executive, and other senior officers. The Rail North Committee oversees the management of the Northern and Trans Pennine Express rail contracts (including delivery performance) under the Rail North Partnership Agreement with the Secretary of State for Transport. The arrangements under the Partnership Agreement have continued under the revised arrangements which have seen the Northern and Trans Pennine Express contracts (separately) taken over by the Operator of Last Resort (OLR).

The 2018 Regulations also provided for the appointment of a Partnership Board to advise on matters relating to transport in the area. The membership of the Partnership Board now includes representatives from each of Disability UK, the Committee on Climate Change, Transport Focus, the Northern Chambers of Commerce, the Directors of Public Health, three regional TUC representatives and a DfT observer. Transport for the North has a Scrutiny Committee made up of elected Members appointed by the 21 Constituent Authorities whose role is to scrutinise proposals prior to recommendation for approval by the Transport for the North Board and to make recommendations in relation to transport in the area. Transport for the North has a policy of "Scrutiny First" under which the Scrutiny Committee has an opportunity to comment on and advise on issues for decision by the Board before they are made rather than scrutinising decisions which have already been taken.

The Scrutiny Committee decided not to set up specific scrutiny panels but to continue to operate as a full committee.

Transport for the North has also established an Audit and Governance Committee consisting of six elected Members drawn from the 21 Constituent Authorities and four Independent Members, the latter of whom have been publicly recruited on the basis of, relevant skills.

The Committee’s role is to provide assurance to the Board on governance, risk management and the internal control framework.

The General Purposes Committee began to meet from February 2022. Its role is to determine matters which are not specifically reserved to Board or delegated to any other Committee or Officer of Transport for the North. It has begun to establish its role and its relationship with Transport for the North Board and other Committees.

During the Covid-19 pandemic, Transport for the North implemented measures to allow remote working and made use of the ability to convene virtual meetings as permitted by legislation. Since easing of the restrictions in June 2021, some of Transport for the North’s Boards and Committees have been able to be held in person. Others have continued to be held as Consultation Calls where still necessary to enable the necessary consultation to be carried out by the Chief Executive to exercise his delegated powers. All in-person Transport for the North Board meetings and consultation calls continued to be streamed live to the public.

Following further removal of restrictions, Transport for the North has reverted to holding more meetings in person, particularly where decisions have needed to be made.

1.0 Scope of Responsibility

- 1.1 This Annual Governance Statement demonstrates how Transport for the North has reviewed the effectiveness of its internal systems of control and how it has complied with its adopted Code of Governance in carrying out its functions. It is published in accordance with the requirements of regulation 6(1) of the Accounts and Audit Regulations 2015.
- 1.2 Transport for the North is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently, and effectively. Transport for the North also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness.
- 1.3 In discharging this overall responsibility, Transport for the North is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
- 1.4 Transport for the North has approved and adopted a Code of Corporate Governance, which is consistent with the principles of the CIPFA/SOLACE Framework, Delivering Good Governance in Local Government. The Code of Corporate Governance is included in Transport for the North’s Constitution and is on Transport for the North’s website at <http://www.transportfornorth.com>.

2.0 Delivering Good Governance in Local Government

- 2.1 The governance framework comprises the systems, processes, culture, and values, by which Transport for the North is directed and controlled and the processes through which it accounts to and engages with the community. It enables Transport for the North to monitor the achievement of its strategic objectives and to consider whether those objectives will lead to the delivery of its goal of transformational economic growth in the North of England, facilitated by improved transport infrastructure.
- 2.2 The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.

- 2.3 The system of internal control consists of a number of processes, policies and procedures that have been put in place in order to identify and prioritise the risks to the achievement of Transport for the North’s aims and objectives, to evaluate the likelihood and resultant impact of those risks materialising, and to manage them efficiently, effectively and economically.
- 2.4 The governance framework was in place at Transport for the North for the 2022/23 financial year and up to the date of approval of the Statement of Accounts.

3.0 The Corporate Governance Framework

- 3.1 Transport for the North has adopted a Code of Corporate Governance that incorporates Core Principles that align with CIPFA guidance. These are captured in the following table and supported by evidence that demonstrates compliance.

<p>A. Focusing on the purpose of Transport for the North and the outcomes for the community and creating and implementing a vision for the area.</p>
<p>Evidence and Outcomes</p> <p>Transport for the North’s vision is: ‘To create a thriving North of England where world class transport supports sustainable economic growth, excellent quality of life and improved opportunities for all.’</p> <p>A new draft Strategic Transport plan (STP2) has been drafted and the TfN Board agreed to issue it for consultation in May 2023. The plan sets out the strategic outcomes for the region and the role that investment in the North’s transport system has to play in delivering those outcomes. To assist in this ambition the draft STP2 includes specific ‘right share metrics’ against which progress will be monitored. The plan sets out a vision for improved connectivity across the wider region and is an ambitious transformational, pan northern strategy that seeks to secure long-term sustainable economic growth in the north.</p> <p>The updated STP2 will be used by the TfN Board to prepare its statutory advice to Government on pan-regional investment priorities for the North. We produce regular reports setting out its targets and achievement against them. The draft STP2 proposes that TfN will prepare and publish an annual report that will draw on the monitoring and evaluation framework set out in STP2.</p> <p>A medium-term financial strategy is prepared and scrutinised by members to ensure it supports the ambition of Transport for the North. Detailed annual budgets are approved and shared with constituent authorities.</p> <p>Annual accounts are produced within 3 months of the year end and an audit opinion on these and on the value for money position is provided by external auditors. Quarterly reports are produced to ensure that members and officers are aware of progress in relation to current projects. The format of these reports is under review to ensure that they remain relevant for their audiences.</p> <p>Other strategies and policy documents are developed by TfN officers working with our partners and after approval by members, are made available on the website. These strategies are all consistent with the overall vision of Transport for the North.</p> <p>We have established officer reference groups and an Executive Board where officers from the constituent Local Authorities across the region have an opportunity to help formulate Transport for the North’s policies and proposals at an early stage.</p>

B. Members and officers working together to achieve a common purpose with clearly defined functions and roles.

Evidence and Outcomes

Members and officers work closely together with clear agendas at meetings of the Board and Committees. Agenda setting arrangements are in place with regular meetings between members and officers.

There is a clearly defined planning cycle for future meetings and there is a forward plan in place. Officers attend all committee and board meetings to support the members and provide any advice needed.

Relationships between officers and members are clearly defined and there is a member/officer protocol which is contained in the Constitution.

Schemes of delegation are in place to enable Committees, the Chief Executive, Monitoring Officer and Directors to work together effectively and make decisions in a transparent way.

Statutory officers with the appropriate skills and resources have been appointed and ensure appropriate advice is given on necessary financial and procedural matters.

We have clear Constitutional documents and a committee structure covering all aspects of Transport for the North’s activities.

The Partnership Board brings together members, business leaders from the private sector and other appropriate representative groups, to advise on strategic decisions.

Chief officers and chairs of committees and the Board meet regularly to discuss future business and current activities.

The Constitution sets out how Transport for the North operates including standing orders, codes of conduct for officers and financial regulations.

The Constitution is reviewed annually, and internal audit also carry out investigations into selected areas of the organisation as part of an annual programme of work.

A scrutiny committee comprising of elected members from all the constituent authorities, has, within its terms of reference in the constitution, the ability to review any decision made by Transport for the North.

We operate on a ‘scrutiny first’ basis so that scrutiny committee can examine and influence proposed decisions before they are taken.

Transport for The North is committed to promoting Diversity and Inclusion across all areas of the business, which includes people leading the organisation and people working in it. A Diversity Action group, comprising officer representatives who report into Senior Management Team, which in turn reports to Operating Board, is in place to help promote understanding across the organisation and legal compliance.

C. Promoting values for Transport for the North and demonstrating the values of good governance through upholding high standards of conduct and behaviour

Evidence and Outcomes

Those Members who are elected Members of a Local Authority are expected to adhere to the adopted Code of Conduct of their Local Authority while carrying out their duties in respect of Transport for the North. Other co-opted Members are expected to adhere to the Cabinet Office’s Code of Conduct for Board Members of Public Bodies. There have been no complaints received about any members or co-opted members.

We have adopted a Code of Conduct for Officers and a Protocol on Member /Officer Relations, to which all officers are expected to adhere. Serious breaches of these Codes by officers would be investigated under the organisation’s disciplinary code. However, no breaches of code or protocol have been reported.

Our induction process for new TfN officers outlines the behaviours and values that are expected from them. The annual appraisal system adopted for TfN officers incorporates the behaviours and values as part of the review process.

We have a zero-tolerance approach to fraud and corruption and have adopted strong Anti-Fraud and Corruption and Whistleblowing Policies. The Whistleblowing Policy was reviewed in a previous Annual Governance Statement. No fraud or corruption has been uncovered in the past year and no whistleblowing complaints have been made. The Anti-Fraud and Corruption Policy is to be reviewed this year.

Members are required to make a declaration of their disclosable pecuniary interests and to declare any disclosable pecuniary interests in the business of the meeting at the start of all board and committee meetings, and to take no part in such business, but to leave the meeting. The minutes of all meetings record any declarations of interest declared.

We have adopted a Code of Practice in relation to Gifts and Hospitality. A register of Gifts and Hospitality is maintained by the Monitoring Officer. Guidance in relation to gifts and hospitality is included in the induction for new employees and ad hoc advice is available and provided as necessary. We have a Monitoring Officer who works with Members and Officers to ensure that we comply with our legal duties and all legal requirements.

The Monitoring Officer has statutory reporting responsibilities in relation to any unlawful decisions or maladministration and has not made any reports in relation to this matter.

The Finance Director as the Section 151 Officer has responsibility for ensuring proper arrangements for financial management and has statutory reporting duties in respect of unlawful expenditure and financially imprudent decision making. The S151 officer has not made any reports. All new officers are subject to a robust induction process and new members are offered an induction to familiarise themselves on our policy and procedures.

The Legal implications associated with agenda items are included in all Board/Committee reports and there have been no challenges to legal advice provided.

D. Taking informed and transparent decisions which are subject to effective scrutiny and managing risks

Evidence and Outcomes

During 2022 Transport for the North’s risk management strategy was updated to include the implementation of 5x5 risk matrix and updated scoring criteria, refreshed risk management process diagram, risk appetite statement, how risk is mitigated through mitigation actions, controls and fall-back plans, risk reporting, updated RACI, frequency of risk reviews and criteria of when risk should be escalated to OBT.

A risk maturity audit was undertaken in Sept 2022 by RSM. This was an advisory review with no formal assurance to be provided. It did however conclude that we had clearly established work practices in place and made several recommendations to support ongoing development of the area.

We have a Risk Manager who is responsible for implementing our risk management strategy. The Audit and Governance Committee is responsible for independently monitoring and assessing the adequacy and effectiveness of the risk management framework.

Risk management reviews and updates are performed regularly across all business activities and subsequently reported to internal management, committees and the Board. Any risks are outlined in reports to Board and committees.

We have put in place a strong system of financial governance to manage and control our financial affairs and mitigate the risk of fraud. The Finance Director has overall responsibility for ensuring the effectiveness of internal controls. The Finance Director reports regularly to the Audit and Governance Committee and Board.

We have adopted rigorous procurement approval procedures which ensure that all procurements comply with its contract procurement rules. The Standing Orders and Financial and procurement rules are in the Constitution.

The IT and Information Manager is responsible for ensuring data is collected, stored and used appropriately. This post and that of the Data Protection Officer reports indirectly to the Finance Director who is also the Senior Information and Risk Officer (SIRO).

E. Developing the capacity and capability of members and officers to be effective

Evidence and Outcomes

We seek to ensure all Members and Officers have the necessary skills and training to fulfil their roles. Members receive an induction programme when they are appointed and this is supplemented by specialised training courses where appropriate. Officers are appointed using competency-based job descriptions and their performance against these competencies is regularly monitored and reviewed. A detailed learning and development plan ensures that training needs are met at both an individual and an organisational level.

During 2022, we established a Diversity Action Group formed with senior management team members, to develop a Diversity and inclusion Action Plan.

Mental-Health first aiders have been appointed from members of staff to help and advise any member of staff suffering from mental health issues.

Corporate Induction Guidance includes a thorough initial corporate induction programme for all new officers, with additional information for new line managers.

All new employees are subject to a formal six-month probationary process where performance is assessed alongside the provision of initial learning and development support and guidance.

Key Performance objectives are captured in the online appraisal tool 'PERFORM' and training is delivered via the core curriculum of training.

Members of the Senior Management Team have undertaken leadership training, with this programme also being rolled out to junior and aspiring leaders.

We have incorporated Apprentices into the workforce plan at key points of entry. This is underpinned by strong relationships with Training Providers and internal support via Mentors and Line Managers. Mentors are provided with full training.

We hold regular wellbeing sessions for all employees addressing mental and physical health.

F. Engaging with local people and other stakeholders to ensure robust public accountability

Evidence and Outcomes

Board and Committee Agenda and minutes are available on our website.

Board and committee meetings are open to the public. Meetings of the TfN Board and Rail North Committee are live streamed to enable broader access to them.

The membership of the Partnership Board has been broadened to ensure that it is representative of wider interests, including in relation to the environment and the interests of the travelling public.

Our officers meet regularly with Parliamentarians, Members and officers of other Authorities, representatives of the Welsh and Scottish devolved governments, representatives of business organisations, and other stakeholders. Including attending All Party Parliamentary Groups (APPG) meetings in Parliament, roundtable events, and speaking engagements across the North and the rest of the UK.

We held our annual conference in Newcastle in February 2023. The conference was held as an in-person event and on-line.

We host regular podcasts and webinars which include TfN officers, Board members and other relevant stakeholders. We launched a new Business Matters podcast series in 2022 and hosted a popular series on '5 Ways to Level up the North' series with Board Members.

We have facilitated Northern Evidence Academic Forum meetings, which bring together experts and policy makers on a range of topics linked to our research and policy.

In January 2023 we established a new citizens' panel called "Northern Transport Voices".

We use and promote activities across several channels including LinkedIn, Facebook, Instagram and YouTube.

G. Core Principle

Having regard to the promotion of sustainable economic growth, and the social and environmental impacts of its proposals.

Evidence and Outcomes

The draft Strategic Transport Plan 2 is now out to consultation. At its heart are three strategic outcomes that set out how the vision for the North is manifested in terms of economic, environmental and social outcomes. This is based on evidence provided from our programme of technical research and other reputable sources.

This includes cutting edge elements of the Analytical Framework, ensuring the forecast economic and social impacts of the NPR networks selected by DfT for examination are clearly and strongly articulated.

The findings of the initial Northern Powerhouse Independent Economic Review (NPIER) published in 2016, established a transformational vision for the North's economy by 2050. For STP2, this work has been refreshed and updated to provide a more comprehensive picture of the North's economic opportunities.

Transport for the North's internal Climate Change Group have undertaken a baselining assessment of Transport for the North's internal emissions (Scope 1, 2 and 3) during 2022/23.

In January 2023 we received an allocation of additional DfT funding (for 2023/24 and 24/25) to use our experience in data analytics to lead work on a Common Analytical Framework (CAF) for all STBs. The Analytical Framework reflects Transport for the North's commitment to evidence-based decision making and provides a consistent evidence base to support the decision-making process on the prioritisation of future interventions.

Reports to Board and committees, contain an assessment of the implications of the report in terms of sustainability, environmental impact, and equality impact.

H. Having regard for the impact of current decisions and actions on future generations

Evidence and Outcomes

Consultation with our partners is undertaken during the development of policies, the preparation of responses to consultations and in the drafting of advice to Government, to consider, all views and the potential future consequences of current decisions.

We have established a Scrutiny Committee made up of elected representatives from the 21 Constituent Authorities. It adopts a "Scrutiny First" model so all major decisions are subject to scrutiny before they are presented to the Board enabling Scrutiny Committee to influence the Board's decisions before they are made.

The Committee meets regularly and is supported by officers. It subjects proposals to scrutiny before they are presented to the Board, with the recommendations of the Scrutiny Committee being included in the officer's final report to the Board.

4.0 Annual Review of the Effectiveness of the Governance Framework

The effectiveness of key elements of the governance framework are assessed throughout the year by the Chief Executive and Directors meeting as the Operations Board (OBT), by internal audit and by the Audit and Governance Committee. Significant risks are included in the quarterly Operating Report. Performance in relation to corporate risks is a standing item on the agenda of the Audit and Governance Committee and is reported twice a year to the Transport for the North Board.

5.0 Conclusion

The governance arrangements as described above have been applied throughout this year and up to the date of the Annual Accounts providing an effective framework for identifying governance issues and taking mitigating action. Over the coming year Transport for the North will continue to implement and review the operation of the governance framework to further strengthen its governance arrangements.

Signed

Signed

Chair of the Transport for the North Board
20 March 2024

Chief Executive Officer
20 March 2024

Glossary

ACCOUNTING PERIOD

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

ACCRUALS

Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

ACTUARIAL GAINS AND LOSSES

For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because;

- Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or
- The actuarial assumptions have changed

ASSET

An item having value to the authority in monetary terms. Assets are categorised as either current or non-current

- A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock);
- A non-current asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be tangible e.g. a community centre, or intangible, e.g. computer software licences.

AUDIT OF ACCOUNTS

An independent examination of the Authority's financial affairs.

BALANCE SHEET

A statement of the recorded assets, liabilities and other balances at the end of the accounting period.

BORROWING

Using cash provided by another party to pay for expenditure, on the basis of an agreement to repay the cash at a future point, usually incurring additional interest charges over and above the original amount.

BUDGET

The forecast of net revenue and capital expenditure over the accounting period.

CAPITAL EXPENDITURE

Expenditure on the acquisition of a fixed asset, which will be used in providing services beyond the current accounting period, or expenditure which adds to and not merely maintains the value of an existing fixed asset.

CAPITAL FINANCING

Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

CAPITAL PROGRAMME

The capital schemes the Authority intends to carry out over a specific period of time.

CIPFA

The Chartered Institute of Public Finance and Accountancy

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

The account of the Authority that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from precepts, grants and other income.

CONSISTENCY

The concept that the accounting treatment of like items within an accounting period and from one period to the next are the same.

CONTINGENT ASSET

A contingent asset is a possible asset arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's accounts.

CONTINGENT LIABILITY

A contingent liability is either:

- A possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Authority's control; or
- A present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

CREDITOR

Amount owed by the Authority for work done, goods received, or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

CURRENT SERVICE COST (PENSIONS)

The increase in the present value of a defined benefits pension scheme's liabilities, expected to arise from employee service in the current period.

DEBTOR

Amount owed to the Authority for works done, goods received, or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

DEFINED BENEFIT PENSION SCHEME

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

AMORTISATION

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Authority's fixed assets during the accounting period, whether from use, the passage of time or obsolescence through technical or other changes.

DISCRETIONARY BENEFITS (PENSIONS)

Retirement benefits, which the employer has no legal, contractual or constructive obligation to award and are awarded under the Authority's discretionary powers such as the Local Government (Discretionary Payments) Regulations 1996.

EQUITY

The Authority's value of total assets less total liabilities.

EVENTS AFTER THE BALANCE SHEET DATE

Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.

EXPECTED RETURN ON PENSION ASSETS

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

FAIR VALUE

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction.

FINANCE LEASE

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

GOING CONCERN

The concept that the Statement of Accounts is prepared on the assumption that the Authority will continue in operational existence for the foreseeable future.

GOVERNMENT GRANTS

Grants made by the government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Authority. These grants may be specific to a particular scheme or may support the revenue spend of the Authority in general.

IMPAIRMENT

A reduction in the value of a fixed asset to below its recoverable amount, the higher of the asset's fair value less costs to sell and its value in use.

INFRASTRUCTURE ASSETS

Fixed assets belonging to the Authority that cannot be transferred or sold, on which expenditure is only recoverable by the continued use of the asset created. Examples are highways, footpaths and bridges.

INTANGIBLE ASSETS

An intangible (non-physical) item may be defined as an asset when access to the future economic benefits it represents is controlled by the reporting entity. This Authority's intangible assets comprise computer software licences.

INTEREST COST (PENSIONS)

For a defined benefit scheme, the expected increase during the period of the present value of the scheme liabilities because the benefits are one period closer to settlement.

INVESTMENTS (PENSION FUND)

The investments of the Pension Fund will be accounted for in the statements of that fund. However, authorities are also required to disclose, as part of the disclosure requirements relating to retirement

benefits, the attributable share of the pension scheme assets associated with their underlying obligations.

LIABILITY

A liability is where the Authority owes payment to an individual or another organisation.

- A current liability is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A deferred liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

LIQUID RESOURCES

Current asset investments that are readily disposable by the Authority without disrupting its business and are either:

- Readily convertible to known amounts of cash at or close to the carrying amount; or
- Traded in an active market.

LONG-TERM CONTRACT

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken to substantially complete the contract is such that the contract activity falls into more than one accounting period.

MATERIALITY

The concept that the Statement of Accounts should include all amounts which, if omitted, or mis-stated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.

NET BOOK VALUE

The amount at which fixed assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for amortisation.

NET DEBT

The Authority's borrowings less cash and liquid resources.

NON-DISTRIBUTED COSTS

These are overheads for which no user now benefits and as such are not apportioned to services.

NON-OPERATIONAL ASSETS

Fixed assets held by the Authority but not directly occupied, used or consumed in the delivery of services. Examples are investment properties, assets under construction or assets surplus to requirements pending sale or redevelopment.

OPERATING LEASE

A lease where the ownership of the fixed asset remains with the lessor.

OPERATIONAL ASSETS

Fixed assets held and occupied, used or consumed by the Authority in the pursuit of its strategy and in the direct delivery of those services for which it has either a statutory or discretionary responsibility.

PAST SERVICE COST (PENSIONS)

For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to retirement benefits.

PENSION SCHEME LIABILITIES

The liabilities of a defined benefit pension scheme for outgoings due after the valuation date. Scheme liabilities measured during the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

PROVISION

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.

RELATED PARTIES

There is a detailed definition of related parties in FRS 8. For the TfN's purposes related parties are deemed to include the Authority's members, the Chief Executive, its Directors and their close family and household members.

RELATED PARTY TRANSACTIONS

The Statement Of Recommended Practice requires the disclosure of any material transactions between the Authority and related parties to ensure that stakeholders are aware when these transactions occur and the amount and implications of such.

REMUNERATION

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits. Received other than in cash. Pension contributions payable by the employer are excluded.

RESERVES

The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Authority. Some capital reserves such as the fixed asset restatement account cannot be used to meet current expenditure.

RESIDUAL VALUE

The net realisable value of an asset at the end of its useful life.

RETIREMENT BENEFITS

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment.

REVENUE EXPENDITURE

The day-to-day expenses of providing services.

REVENUE EXPENDITURE CAPITALISED UNDER STATUTE (REFCUS)

Expenditure which ordinarily would be revenue but is statutorily defined as capital. Examples of REFCUS include grants of a capital nature to voluntary organisations and back pay expenditure capitalised under Secretary of State Direction.

USEFUL ECONOMIC LIFE (UEL)

The period over which the Authority will derive benefits from the use of a fixed asset.



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Meeting	Transport for North Board
Subject:	Budget and Business Planning 2024/25
Author:	Paul Kelly, Finance Director
Sponsor:	Martin Tugwell, Chief Executive
Meeting Date:	Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 This report sets out Transport for the North's 2024/25 Business Plan and Budget and its associated funding arrangements.

2. Recommendations:

The Board is recommended to:

- 2.1 **Note, support and comment** on the draft Business Plan for 2024/25 (included at Appendix 1).
- 2.2 **Approve** the draft business plan and **delegate** authority to the Chair and Chief Executive of Transport for the North to undertake the steps required to finalise the Business Plan.
- 2.3 **Note** the forecasted outturn for 2023/24 as detailed in section 7 and the projected closing reserves as of 31 March 2024 is £3.6m.
- 2.4 **Approve** the proposed use of reserves of £1.3m in 2024/25.
- 2.5 **Approve** the budget for 2024/25 as detailed in section 5.

3. Background:

- 3.1 Transport for the North received a funding allocation ("The Funding Letter") from the department on 14 January 2023. This included, for each of the next two years:
- £6.5m to deliver the core statutory duties, which is the same as 2022/23; and
 - £0.71m to enable Transport for the North to support the development of wider Subnational Transport Body ("STB") and Local Transport Authority (LTA) capacity and capability.
- 3.2 DfT has indicated the funding received for development of wider STB and LTA capacity and capability should be used to support:
- Development of a Common Analytical Framework
 - Rolling out the Electric Vehicle Charging Infrastructure ("EVCI") tool to other STB's
 - Developing tools to support LTA's on Local Transport Plans ("LTPs")
 - Improving Transport for the North's policy and TAME teams
 - Supporting authorities on their Bus Service Improvement Plan's ("BSIP's"), Business Cases and Scheme developments.
- 3.3 Transport for the North funding has been granted on a two-year basis. The Funding Letter states that "Future years funding, beyond the period covered by this letter, will take account of the Transport for the North's performance in delivering on these priorities in the next two financial years."
- 3.4 In addition to these allocations, and to maintain the entities current capacity and capability, Rail North Partnership Grant, Rail Administration Grant / Local

Contributions will increase in line with formal agreements to a level required to meet anticipated costs.

- 3.5 In addition to the above DfT has separately confirmed it would like Transport for the North to continue the analytical support to the NPR programme.
- 3.6 In the Grant Funding Agreement ("GFA") DfT confirmed that if the service is not continued beyond 2024/25, it will fund any transition costs relating to these roles.
- 3.7 The medium-term sustainability risk has been aired in all previous budget submissions and will manifest itself in 2025/26. In order to mitigate the risk and maintain our current capacity and capability, output and continue to deliver our statutory duties, Transport for the North requires a step change in core grant funding from £7.2m in 2024/25 to £9.3m per year for each of the three subsequent years, i.e. 2025/26, 2026/27 and 2027/28.
- 3.8 Any further request for incremental services, which we will discuss and consider with departmental officials, will result in further funding requests. The Executive team will work with the DfT as potential opportunities and solutions are looked at ahead of a future Spending Review.

4. Business Planning:

- 4.1 Transport for the North's statutory function and responsibilities remain unchanged.
- 4.2 Our work for the year ahead is grounded in the Strategic Transport Plan, and the North's ambitions for economic growth, decarbonisation and more opportunities for all.
- 4.3 The Department has indicated that it is committed to Subnational Transport Bodies and recognises the role they can play in supporting both local and national government.
- 4.4 Last year we launched the 'TfN offer' to support local transport planning through evidence, analysis and tools; we will continue to build and augment this service over 2024/25 for our partners.
- 4.5 A key focus for Business Planning is the need to establish a sustainable financial position for the medium/long-term future of Transport for the North.
- 4.6 A summary of the approach taken to compile the Business Plan and its activities was shared with and welcomed by the Scrutiny Committee on 27 February 2024 and the Business Plan was updated to reflect their comments. The Committee recommended the Business Plan was submitted to the Board for approval.
- 4.7 Transport for the North operates a virement process to maximise the delivery of activities in year. Prioritised activities can be introduced in year if capacity exists within the agreed budget envelope.
- 4.8 In addition, budget revisions or changes to Transport for the North's business activities can be periodically agreed by board if new incremental activity is identified.

5. 2024/25 Budget:

- 5.1 Based on Transport for the North's operating and funding environment, a number of budget and planning assumptions were made in order to propose a sustainable cost profile / budget for 2024/25 that would form the basis of future years budgets. Funding and cost assumptions are required for future years to establish a sustainable cost base in our proposed budget year.
- 5.2 Budget assumptions for 2024/25:
 - DfT core funding of £7.21m as per the January 2023 funding allocation
 - Employee costs to increase in line with existing terms and conditions
 - Cost of living increase assumed at 5% per annum

- Rail North Grant / local contributions to continue at current levels subject to contractual and / or agreed indexation
- Rail North Partnership grant assumed to increase by £0.27m due to 3 additional roles (contingent on funding approval).

5.3 Budget assumptions for 2025/26, 2026/27 and 2027/28:

- In order to maintain our current capacity and capability and continue to deliver our statutory duties and the wider TfN Offer, a step change in core grant funding from £7.2m per year for 2024/25 to £9.3m per year for each of the following three years
- This does not include any incremental funding associated with increased level of activity/service provision identified over the next three years
- Employee costs to increase in line with existing terms and conditions
- Cost of living increase assumed at 5% per annum
- Externally contracted professional services assumed to be maintained at the levels in the 2024/25 budget
- Assumptions have been limited to business areas that directly affect core funded activities and the use of reserves. Any changes, either increase or curtailment, of NPR TAME services are assumed to be funded in full by DfT. This is consistent with the current Grant Funding Agreement
- Rail North Partnership and local contributions to continue at current levels subject to indexation.

5.4 The Business Planning process has now completed, driven by the golden thread that links the Board priorities and departmental objectives. The fully funded budget proposal for the year is £16.5m, as follows:

	24/25 Budget £m
Operational:	
Rail & Roads	2.75
Strategy, Policy & Communications	3.71
	6.46
Business Support:	
Leadership	0.35
Finance	0.81
Human Resources & Accommodation	0.80
Information Technology	0.46
	2.43
Total Operational:	8.89
Hosted:	
Rail North Partnership	1.87
NPR Analytical Support	5.70
Total Hosted:	7.57
Total Costs	16.46

5.5 The 2024/25 budget includes £0.2m relating to activities either deferred from or partially delivered in 2023/24.

Total headcount budgeted in 24/25 are shown in the table below:

Total Headcount	23/24 Budget	24/25 Budget	variance
Core	68	71	3
Rail North Partnership	18	21	3
NPR Analytical Support	25	26	1
Total	111	118	7

5.6 The headcount increases by 7, of this:

- within the core funded activities, two incremental roles are proposed in the TAME function to support the TfN Offer as detailed in section 3.2 and one role is proposed to enhance communications and stakeholder engagement;
- three additional roles are proposed within the Rail North Partnership to strengthen the capability around engagement with the Northern and TransPennine teams and additional Stakeholder Engagement support; and
- NPR Analytical Support resource is proposed to increase by one with a movement of two roles from consultant to staff based delivery to enhance value for money.

5.7 5 of the 26 heads in the NPR Analytical Support line are consultant posts and as such these costs are not captured as staff costs.

Operational & Business Infrastructure budgets

5.8 The 2024/25 core funded budget and its comparison to 2023/24 budget is as follows:

Comparison of Core expenditure	23/24 Budget £m	24/25 Budget £m	variance £m
Operational:			
Rail & Roads & Legal	2.30	2.75	0.45
Strategy, Policy & Communications	3.33	3.71	0.38
	5.63	6.46	0.83
Business Support:			
Leadership	0.40	0.35	(0.04)
Finance	0.88	0.81	(0.07)
Human Resources & Accommodation	1.07	0.80	(0.26)
Information Technology	0.47	0.46	(0.01)
	2.81	2.43	(0.38)
Total Operational & Business Support:	8.44	8.89	0.45

5.9 The variance between the two years of £0.45m mainly reflects an increase in discretionary spend plus three additional resources within Operations, offset by reduced accommodation costs in Business Support. In Operations, the additional resource predominantly relates to delivery of the TfN offer plus the 24/25 budget contains £0.2m of slipped discretionary activity from 23/24.

5.10 The core funded budgets by cost category are detailed below:

Total Core by Cost Type	23/24	24/25	variance
	Budget	Budget	
	£m	£m	£m
Staff	5.55	5.98	0.44
Staff Support	0.25	0.29	0.04
Business Infrastructure	1.17	0.96	(0.21)
External costs	1.47	1.65	0.18
Total	8.44	8.89	0.45

5.11 As detailed below, this includes additional activity and resources (3 FTE's) associated with delivery of the incremental activity requested in the funding letter and detailed in section 3.2 and within communications and stakeholder engagement. In addition, the salaries budget includes spinal point movements in line with employment contracts and a provision of 5% for a cost-of-living increase.

5.12 The core funded salaries budget of £5.98m consists of 71 roles, as detailed below.

Core Headcount	23/24	24/25	variance
	Budget	Budget	
Rail & Roads & Legal	22	22	-
Strategy, Policy & Communications	30	33	3
Leadership	2	2	-
Finance	6	6	-
Human Resources & Accommodation	5	5	-
Information Technology	3	3	-
Total	68	71	3

5.13 Two of the three additional roles relate to the delivery of the TfN Offer with the third role supporting communications and stakeholder engagement.

5.14 Business Infrastructure spend of £0.96m represents the costs of delivering a standalone statutory entity. This includes costs such as office accommodation, software licences, external and internal audit, insurance etc.

5.15 External costs include £0.2m of anticipated slippage from 2023/24.

Hosted Budgets

Rail North Partnership

5.16 The Rail North Partnership budget is:

Rail North Partnership by Cost Type	23/24	24/25	variance
	Budget	Budget	
	£m	£m	£m
Staff	1.55	1.78	0.23
Staff Support	0.04	0.05	0.01
Business Infrastructure	0.04	0.05	0.01
Total:	1.62	1.87	0.25

5.17 The increase mainly relates to the proposed introduction of 3 additional staff members to support delivery.

5.18 The staff budget reflects the following heads:

	23/24	24/25	
Total Headcount	Budget	Budget	variance
Rail North Partnership	15	18	3
TransPennine Route Upgrade	3	3	-
Total	18	21	3

NPR Analytical Support

5.19 The total estimated budget of £5.7m represents the costs associated to delivering the TAME solution to the NPR programme. It includes:

- £1.5m for staff / resource / support-based costs
- £4.2m to deliver the externally procured services required to meet DfT specified service. Commitments against the estimated costs will be specified and agreed in advance for each quarter.

6. Funding:

6.1

	23/24	24/25	
Funding	Budget	Budget	variance
	£m	£m	£m
Core grant	6.50	6.50	-
TfN Offer	0.71	0.71	-
In-Year funding (23/24 c/f)	0.03		(0.03)
Use of Reserves	0.83	1.27	0.44
	8.07	8.48	0.41
Contract Income	0.04	0.04	0.00
Rail North Grant/Local Contributions	0.32	0.36	0.04
Core Duties	8.43	8.89	0.45
<i>Hosted Services:</i>			
TDF Rail Modelling	5.86	5.70	(0.16)
Rail North Partnership Grant	0.96	1.23	0.27
Rail North Grant/Local Contributions	0.40	0.42	0.02
Contract Income	0.27	0.23	(0.04)
NPR Closure Settlement	0.20		(0.20)
Hosted Services	7.68	7.57	0.09
Total Resource	16.12	16.46	0.54

6.2 In addition to the core grant, use of reserves of £1.27m is required to provide a fully funded budget. As mentioned above, £0.2m of this relates to activity deferred from 2023/24.

6.3 The NPR Tame grant of £5.7m is ring fenced and will be reimbursed if expenditure levels are lower than budgeted.

6.4 Rail operation grants are indexed in line with the underlying agreement and contracted income will recover 24/25 costs.

7. Forecast Financial Position to Outturn:

7.1 TfN forecasts that it will incur expenditure totalling £14.85m to the end of the financial year 2023/24 as shown in the following table:

	23/24 Outturn £m	23/24 Budget £m	variance £m
Operational:			
Rail & Roads & Legal	2.30	2.30	0.00
Strategy, Policy & Communications	3.38	3.33	(0.06)
	5.68	5.63	(0.05)
Business Support:			
Leadership	0.37	0.40	0.02
Finance	0.76	0.88	0.12
Human Resources & Accommodation	0.94	1.07	0.13
Information Technology	0.41	0.47	0.07
	2.48	2.82	0.34
Total Operational & Business Support:	8.16	8.45	0.28
Hosted:			
Rail North Partnership	1.64	1.62	(0.01)
NPR Analytical Support	4.86	5.86	1.00
	6.49	7.48	0.99
NPR Closure Costs	0.20	0.20	-
Total Hosted:	6.69	7.68	0.99
Total Costs	14.85	16.12	1.27

- 7.2 Against the original budget of £16.12m, this represents a shortfall of £1.27m. The majority is driven by underspend in NPR Analytical Support (£1.0m) and results from the delay in agreeing the workplan for the year with DfT. Operational areas are slightly overspent by £0.05m and Business Support functions are underspent by £0.34m.
- 7.3 As in previous years, a budget virement process has operated throughout the year, reallocating underspends and savings to fund new opportunities supportive of the business plan. The £0.28m underspend in Operational and Business Support mainly represents deferred activity into 2024/25 (£0.2m) plus savings made on office relocation costs.
- 8. Medium-Term Financial Strategy and Reserve Strategy:**
- 8.1 Under statute, all local government bodies – including Transport for the North – are required to operate to a locally defined reserves strategy that ensures that the organisation always holds a prudent level of reserves.
- 8.2 Such reserves enable the organisation to operate with a degree of flexibility and guard against financial shock.
- 8.3 A prudent reserve strategy is particularly important to Transport for the North as it has few other levers to mitigate financial risk. As previously noted, unlike other partners, Transport for the North cannot access credit for short-term cash flow management and long-term investment, nor can it levy or precept upon a local tax-base to underwrite its operations.
- 8.4 Transport for the North’s approach to managing financial risk therefore has to rest on two pillars:

- a) A prudent risk culture that ensures Transport for the North limits its exposure to financial risk arising from contracting and business operations
- b) A prudent reserve strategy that ensures Transport for the North always holds a level of cash at bank to guard against residual financial shock.

Practically, this means that Transport for the North must work in collaboration with DfT and partners when entering into multi-year and high-risk transactions to ensure that the right balance of risk share is achieved.

- 8.5 It also means that Transport for the North's reserve strategy must be managed in conjunction with the use of the annual Core grant allocations. As Core grant is the only discretionary resource Transport for the North holds that can fund expenditure, it follows that financial risk must primarily be managed through this resource.
- 8.6 Following discussions with the DfT when Transport for the North was established as a statutory body, it was agreed that Transport for the North would target a core cash balance of *no less than* £2m to be held as a cash reserve in any given year.
- 8.7 The minimum of £2m was considered sufficient to allow for modest draws to be made in-year to meet un-budgeted opportunities that may arise, whilst also ensuring cash remained at bank to meet both unexpected costs and cash flow fluctuations.
- 8.8 The operating model remains unchanged from 2023/24 and it is not proposed to modify the minimum reserve.
- 8.9 From year to year, general reserves may be drawn upon in-year, or contributions made from surpluses.
- 8.10 In 2023/24 Transport for the North budgeted to utilise £0.8 in reserves to maintain the entities capacity and capability.
- 8.11 The forecasted outturn for 2023/24 (detailed above) requires a reserve utilisation of £0.2m giving a closing general reserve of £3.6m as of 31 March 2024. The main reasons for the reduction in reserve utilisation was the realisation of investment income (this is specifically not budgeted as agreed within the Treasury Strategy) and staff cost savings from recruiting through the year and either partially or fully deferring activity originally budgeted in 2023/24.
- 8.12 This reserve release is forecast to leave Transport for the North with total Core Grant Reserves of £3.6m by the end of 2023/24.
- 8.13 As detailed above, Transport for the North is proposing a draw from reserves totalling £1.3m in 2024/25. This represents the additional funding required to ensure we maintain our current capacity and capability and deliver the business plan outcomes.
- 8.14 This approach to Transport for the North's medium-term financial strategy is predicated on the following approach to non-core funded expenditure:
 - such activity will be resourced from specific grants
 - activity levels will be tailored to the funding available and any grant restrictions thereon.
- 8.15 The principal variables to manage through the medium-term financial strategy are therefore around the Core grant activity and, in-particular, how to align the reserve strategy with business plans to allow key priorities to be resourced whilst managing inflationary pressures.
- 8.16 Transport for the North proposes to draw £1.3m from the General Reserve in financial year 2024/25, based on a brought forward Core Grant Reserve balance of £3.6m. The following table highlights forecast core grant requirements, resource, and the associated requirements for reserve support:

8.17 Reserve table

Reserves	23/24 Outturn £m	24/25 Budget £m	25/26 Forecast £m	26/27 Forecast £m
Total Core Grant Reserve:				
Balance b/f	3.8	3.6	2.4	2.7
Inflows:				
Core grant	7.2	7.2	9.3	9.3
Other grants/income	0.8	0.4	0.4	0.4
	8.0	7.6	9.7	9.7
Outflow	(8.2)	(8.9)	(9.4)	(9.8)
(Draw)/Contribution	(0.2)	(1.3)	0.3	(0.1)
Balance c/f	3.6	2.4	2.7	2.6

- 8.18 Future year draws on the reserve may be affected by differences from the assumptions made on pay and price inflation and also any future cost mitigation initiatives.
- 8.19 The core funding allocation for the two-year period from 2023/24 to 2024/25 crystallises the medium-term sustainability issue referenced in earlier years budget submissions.
- 8.20 In order to maintain our current capacity and capability and continue to deliver our statutory duties, Transport for the North has assumed a step change in core grant funding from £7.2m for 24/25 to £9.3m per year for each of the subsequent three years.
- 8.21 Any further request for incremental services, which we will discuss and consider with departmental officials, will result in further funding requests. The Executive team will work with the DfT as potential opportunities and solutions are looked at ahead of a future Spending Review.

9. Corporate Considerations:

Financial Implications

- 9.1 The financial implications are included within the report.

Resource Implications

- 9.2 The resource implications are included within the report.

Legal Implications

- 9.3 Any legal implications are included within the report. Transport for the North's is operating within the terms of the funding letter and its constitutional functions and powers.

Risk Management and Key Issues

- 9.4 The risk implications are included within the report. Transport for the North will continue to review and update the corporate risk register in line with the funding allocation received and the 2024/25 business plan.

Environmental Implications

- 9.5 There are no environmental implications.

Equality and Diversity

- 9.6 Where applicable an Equality Impact Assessment will be undertaken.

Consultations:

9.7 No consultation is required.

10. Background Papers:

10.1 Funding Business Planning and Budget Update for March 22 Board

10.2 Draft TfN Business Plan for March 23 Board

11. Appendices:

18.1 Appendix 1 – Draft 2023-24 Business Plan

DRAFT TRANSPORT FOR THE NORTH 2024-25 BUSINESS PLAN

1. Foreword

Transport for the North (TfN) provides one voice for the North's citizens and businesses on pan-regional transport investment priorities. We know that an efficient, high quality, safe, integrated, and decarbonised transport system that connects people and places is fundamental to everyday life. Better connectivity enables sustainable economic growth, decarbonisation of our transport system and increases opportunities for all.

With our second Strategic Transport Plan (STP) [TBC, subject to March 2024 Board meeting adopted] by the TfN Board and submitted to the Secretary of State for Transport as statutory advice, the North has been clear what is needed to deliver better connectivity for our region. The STP captures how investment in the North's untapped economic, environmental and social potential can be realised through transport investment.

We will now turn our attentions, with our partners, to advise on how we make the STP reality for people and places. This business plan sets out where TfN will prioritise its work and resources over the coming year, in line with our two-year funding settlement from the Department for Transport (DfT).

With a General Election on the horizon, and a spending review, it is as important as ever to continue to work on behalf of the North and make the case for investment.

We know the fiscal environment will continue to be challenging, so our role to advise on the effectiveness and efficiency of infrastructure and service delivery is more necessary than ever. From our advice on system reform to implement the STP, to the oversight we have of the train operators in the North, as a pan-regional body we are enabling alignment across infrastructure networks and working to bring delivery partners together in a place to enable growth, decarbonisation, and greater social inclusion.

The strength of TfN is how it brings political leaders and business together, and when there is change, and indeed uncertainty, in our operating environment, speaking together to protect the transformational commitments already made – like the TransPennine Route Upgrade – becomes even more important. As we look ahead, our role is to protect what we have, and make the strongest case possible for the investment

the North's transport system needs in the years ahead to realise our potential to the benefit of the UK.

We will continue to build and enhance the evidence base underpinning the STP, and with a growing analytical, research and policy capability, we will support our partners to deliver for the North. We know the prize is huge: a more prosperous, healthier, inclusive North that returns an £118 billion additional GVA in 2050, if we get the right transport investment with the right policy levers for growth - that would be good news for the North, and good news for UK Plc.

Together, we can – and we will - transform the North.

2. About Transport for the North

We are a statutory body of elected political and business leaders from across the North who collectively represent the region's 16 million citizens and 1.1 million businesses. Complementing the work of local transport authorities (LTAs), and with powers devolved from central government, as the North's Sub-national Transport Body (STB) we provide one voice to government on the strategic transport investment priorities for the North, informed by local knowledge, expertise, and requirements.

As a statutory partner to the DfT, TfN has the following general functions agreed by Parliament:

- To prepare a transport strategy for its area
- To provide advice to the Secretary of State about the exercise of transport functions in its area
- To co-ordinate the carrying out of transport functions in relation to its area that are exercisable by different constituent authorities with a view to improving the effectiveness and efficiency in the carrying out of those functions
- If TfN considers that a transport function in relation to its area would more effectively and efficiently be carried out by TfN to make proposals to the Secretary of State for the transfer of that function to TfN
- To make other proposals to the Secretary of State about the role and functions of TfN.

In addition, Parliament agreed to devolve additional powers to:

- Coordinate and deliver smart ticketing systems across the North
- Become a statutory partner in road and rail investment decisions
- Oversee franchised rail services covering Northern and TransPennine Express (TPE) contracts.

The latter is delivered - jointly with DfT - through the Rail North Agreement. This agreement sets out the level of rail devolution already agreed with government. It enables TfN to oversee delivery of the rail service contracts for Northern and TPE through specification, procurement and management of these contracts. This covers matters such as timetabling, fares, train deployment, ticketing and passenger environment, and facilities at stations and on services.

As well as preparing and publishing the STP – which is the North’s regional transport strategy – TfN will use it to frame our statutory advice to government. This ensures decisions on pan-regional connectivity are informed by the extensive evidence base that underpins the STP. That evidence base is built on local knowledge, and we will continue to evolve and develop it to make the case for investment, working very closely with our Mayor Combined Authority (MCA) and LTA partners.

We also have the co-sponsorship agreement with the DfT to deliver the Northern Powerhouse Rail (NPR) programme; enabling us to bring that local knowledge and expertise to design and delivery of the scheme. Alongside this, we provide advanced analytical services to DfT in support of NPR business case and scheme development.

With our MCA and LTA partners, we work closely with Network Rail and National Highways to contribute to long-term strategic planning for the railways, Major Road Network (MRN) and Strategic Road Network (SRN) in the North.

Our stakeholder engagement is extensive, given our pan-Northern role. We are involved, and often convene, many non-statutory working arrangements to enable delivery of the STP. This includes the local enterprise partnerships and/or their successor bodies, and through our guardianship of the Northern Powerhouse Independent Economic Review (NPIER).

The NPIER demonstrated the need to align relevant policies in places for people. It is why we continue to work closely with bodies such as the Northern Gas Network, other energy providers and with industry and academia through the Northern Evidence Network, and also other government departments such as levelling up and business & trade. This helps ensure connectivity policy comes together with other relevant areas like economic growth, innovation and digital infrastructure.

Nationally, we have strategic partnerships with Transport Scotland, Transport for Wales and the other STBs across England. We also have close links to the National Infrastructure Commission (NIC), Rail Industry Association, Logistics UK, Rail Freight Group and other industry and

business representative bodies. In addition, we engage directly with transport providers – including nationally significant assets such as ports and airports; and transport users, to ensure we have their perspectives to inform our work. We will strengthen our working relationships with the two latter groups over the next 12 months.

3. Our 2024/25 priorities

Our vision is to be an effective and efficient statutory advisory body, working with government and our partners to transform the North. This plan sets out our priorities for the year ahead, which are grounded in the ambitions within the STP, and specifically the actions TfN has committed to within that STP.

Our priority activities for the year ahead have been defined through the roles we play for our partners as:

- ✓ A focal point for trusted data and evidence to inform local and national transport planning
- ✓ A source of 'thought leadership' on connectivity policy matters that are cross boundary and/or of common interest
- ✓ A provider of technical services and advice, including analysis, modelling and planning tools
- ✓ An objective broker and convener, bringing relevant partners together to accelerate delivery of infrastructure and services
- ✓ An advisor to government to improve the effectiveness and efficiency of rail service for the North.

Strategy, Policy and Research

With the revised STP for the North [TBC – subject to March 2024 Board now adopted], our focus is on implementation. The STP sets out the case for change to the way we plan and deliver transport infrastructure and services if we are to transform the North.

Drawing on our evidence base, with partner case studies and insight, we intend to provide statutory advice to the Secretary of State on system reform that will remove inertia and accelerate the delivery of transport investment.

This will include the development of a new 'playbook' that utilises the flexibility in the HMT Green Book to create a Northern Appraisal Framework that will enable a fuller assessment of investment opportunities across economic, social and environmental factors and account for the, often, very different policy drivers that exist between the North and London & the South East. We also want to provide advice on

the opportunities from further devolution to reduce the complexities in delivery, and importantly, to put the decisions about transport investment closer to the people and places that are affected.

We will also work with our partners to refresh our pan-regional investment pipeline (for the short, medium, and long term) to cover the road, rail and strategic interventions necessary to enable delivery of the STP ambitions. We will then use this pipeline to ensure that the North's priorities inform future spending review submissions and other advice into (national) road and rail funding rounds.

Our STP is built on evidence, so maintaining and enhancing that evidence base is central to our strategy, policy and research activities every year. Our regional transport decarbonisation strategy, published in 2021, was the first of a kind. Built on a 2018 carbon baseline, over the next 12 months we will update that baseline, and review and assess with partners the policy options necessary to achieve our surface transport decarbonisation ambitions in an inclusive way that achieves modal shift.

To inform our update, we will map the spatial vulnerability of our existing and proposed major transport infrastructure to climate change effects. Our intention is to have an updated decarbonisation strategy ready for consultation in early 2025.

We will continue to play an integral part in the Northern Evidence Network, working with partners from business, academic and public sector, to ensure the region has an evidence base to support investment and change in economic growth. Building on the 2023 NPIER update, we expect to undertake further research this year on how the economic potential identified by the NPIER can be unlocked.

In 2022 we established our citizens panel – Northern Transport Voices – to provide insight and feedback on a range of transport-related matters from people and places across our region. We intend to grow this panel to more than 2000 members this year and use it to explore policy challenges that are common across the TfN constituent authorities. The outcomes, along with other analysis and stakeholder insight, will inform advice/recommendations to government, where appropriate.

Our stakeholder engagement and wider analysis will focus on: how we create a more sustainable freight and logistics sector, especially shifting road freight to rail; enabling better rural mobility and connectivity; and reducing transport-related social exclusion (TRSE). Our Connecting Communities strategy, published in April 2023, set out the actions TfN will take to better make the case for investment to reduce TRSE, and this year we'll focus on creating a pathway to achieve our 2050 ambitions.

Our strategy and evidence work will be informed by using our Future Travel Scenarios (FTS), which provide a mechanism for assessing different policy levers across plausible futures. Our commitment to an outcome focused, place-based, user-centred approach to transport planning draws on the FTS allowing us to consider uncertainty, challenges, opportunities and trade-offs necessary to meet the STP ambitions. Working with our partners, we will conclude our update to the FTS, currently in progress, and embed that into TfN's Analytical Framework.

As we work towards the ambitions in the STP, our monitoring and evaluation strategy will enable us to track our progress and inform any adjustments we may need to make. Over the next 12 months we will publish our first regional dashboard and use it to monitor the core metrics in the STP (including our mode shift ambitions), undertaking a full review in the autumn to inform priority actions for 2025/26. More widely, using partner feedback, we will look at the opportunities to expand the dashboard to cover other metrics relevant to the STP and provide more local data.

Strategic Rail

Making the case for improvements in current rail services and provision, as well investment to provide greater connectivity and capacity for a growing market will frame our strategic rail work for the year ahead. The evidence that underpins our STP and Strategic Rail Report is clear that poor rail connectivity and capacity is holding back the North's economic potential. We should also not underestimate how investment in rail can act as a catalyst for investment by the private sector in local economies.

Building on that evidence, we will continue working with partners to create a 'blueprint' for the North's rail network to 2030 and beyond, to enable us to clearly articulate the North's requirements to government for its rail programme, including the timings and dependencies between schemes.

This work will give us a firm foundation on which to engage with the DfT through the NPR co-sponsorship agreement to advise and shape delivery of the Integrated Rail Plan (IRP). It will also allow us to manage the interdependencies with the wider rail network, ensuring we maximise the benefits, and minimise the disruption for passengers and freight.

The co-sponsorship agreement enables the North to play a pivotal role in shaping pan-regionally significant investment informed by local knowledge and experience into the decision-making process, giving our citizens and businesses a voice as the Strategic Outline Business Case (SOBC) is revisited in light of the HS2 to Manchester cancellation. We

want that agreement to be as effective as possible, and to enable the North to consider the integration of NPR within the wider rail network, and interaction with other schemes (such as TransPennine Route Upgrade and those planned as part of Network North). We therefore intend to work with the DfT this year to review those working arrangements so that we can strengthen the voice of the North in shaping national decisions.

Rail reform is moving forward and TfN remains supportive of bringing track and train together in a way that simplifies the current working arrangements. Taking our early thinking and feedback from partners and building on our accumulated experience of rail devolution over eight years, we will this year set out the North's proposition for rail devolution. Transparency, accountability, localisation and integration will be at the heart of our proposal, which will be developed alongside (and integrated with) other partnerships, such as that between Great British Railways Transition Team (GBRTT) and Greater Manchester.

Through the Rail North Committee (RNC), we will continue to guide and shape services and the customer offer for passengers and freight users. From informing and guiding rail contracts with Northern and TPE on matters such as timetabling and operations; to ensuring the operators' business plans reflect the aspirations of the STP and those of partner authorities.

Over the past year the RNC has led the debate on how accessibility can be improved at stations across the North. Our evidence suggests only 48% of the North's 600 stations have full step-free access, and many stations are missing basic facilities needed by passengers with impairments. Northern's own assessment of its 465 stations concluded that only around one third have an adequate standard of step-free access.

This year we will deliver the policy recommendations that will put us on the right path to meet our STP ambition that all stations in the North meet TfN's desired accessibility standards by 2050, as set out in the Strategic Rail Report. This includes full step-free access, on-platform customer information systems, CCTV security and the provision of help points.

The RNC's work will influence the prioritisation of station facility improvements to enable more of the travelling public to access our railways. Alongside this, we will continue working with the train operating companies on 'Stations as a Place', which seeks to devise a more holistic approach to investment in stations. It aims to do this by considering the role that they play in their local communities, and the potential for development of the wider station area.

Buses

We know that having more travel choices, which are reliable, affordable, and efficient, is critical to encouraging greater use of public transport, including on our highways. The case for investment in our bus network is clear: our evidence shows that an investment of £10 billion in buses over the next five years could generate £3.68 of economic benefits for every £1 invested. With our partner bus forum now established – Better Buses for the North - we will be finalising our statutory advice to support Bus Service Improvement Plans for the region over the coming months.

Our evidence base and analytical capabilities to support investment in our buses is taking shape, and this year we'll evolve that work to inform our ongoing advocacy and policy advice. Using insights and experience from our bus forum, we expect to pull good practice together and provide guidance for our partners considering franchising as an option to drive local improvements. The North is showing how investment in bus services does make a difference to patronage and improving social inclusion; working together we will amplify that message, and the evidence behind it, to inform policy and decision making.

Connected Mobility

Our Connected Mobility Strategy, published in November 2023, articulates the North's vision for a new era of simple and seamless public transport journeys across the North. It defines clear outcomes across contactless payments, real time service information, journey planning tools and a simplified pricing structure for existing and new modes of travel.

This coming year we will begin turning the strategy into action: using and continuing to build our evidence base and bringing partners together to support joint working, where appropriate, across the North. We will work with partners to create a 'ticketing North' programme to enable shared outcomes for seamless ticketing, for simpler fares across the region and to provide one voice in articulating more joined-up funding for ticketing innovations.

We will also co-ordinate and support our MCA/LTA partners on the different options for ticketing governance, fares reform and ticketing delivery available to them across different places, supported by a fare modelling tool, common governance frameworks and guides. We expect to identify the North's delivery pipeline, plus the capacity and capability needs to enable Pay-as-You-go across all modes. We are already working with Midlands Connect to progress a bus broker mechanism and will work with GBRTT and Transport for Greater Manchester to scale learning and identify next steps in bringing rail Pay-as-You-go to local markets, following the Trailblazer devolution deal.

Major Roads

Almost every journey we make involves a road at some point: they are at the heart of our communities and will continue to be vital to our citizens and businesses in the years to come. Our STP recognises our roads need to be reliable, resilient and safe, and that we have choices to make as to how we make best use of the space available.

Over the coming year we will continue collaborative work with our partners to identify priority interventions on the MRN, drawing on our evidence base to provide advice on the £1 billion investment expected for the North, via the MRN2 programme. This is in addition to our work with partners to develop and advise on recommendations for the Road Investment Strategy.

Our STP provides a framework to offer that advice, and our ongoing work with partners on current schemes across the MRN and SRN, provides the essential regional knowledge and evidence to make the case for progress. Increasingly we will be advocating for investment in road safety measures too, enhancing our evidence base to underpin the case for investment that will deliver on the North's support for vision zero: to reduce the number of people killed and seriously injured in traffic accidents by 2040.

The reliable and efficient movement of freight is critical to our economy, and, with most freight moved by road, we will be working with the freight sector and our partners to recommend how to support the whole freight journey. In the coming year we will focus specifically on the need to provide more and improved HGV parking facilities.

More and more we also need to consider how we are using our highways to get better outcomes for the communities that live alongside major roads, for the people and places that need more sustainable public transport and active travel options, and to enable us to achieve a fair transition to near net zero for surface transport. We know that transition needs to blend behaviour change and technological advance to be successful.

Our Electric Vehicle Charging Infrastructure (EVCI) framework continues to gather momentum. Using data on travel demand, the tool enables estimates of the rate and distribution of the uptake of EVs to be mapped, and so illustrate where, when and how charge points will be required to meet future demand. We are currently rolling our tool out to other STBs, and alongside making enhancements and improvements for its application with Northern partners.

We will continue to explore opportunities to augment the EVCI tool, including other EV uses for freight and buses, and further integration with energy and spatial data. By doing so, we can better shape and inform the national policy agenda for EVCI (including changes being initiated within the energy sector) as well as continuing to support regional and local planning and delivery.

We expect to provide statutory advice this year to delivery partners and regulatory bodies on investment in EVCI and, more widely, in alternative fuels – building on our recent work with Northern Gas Networks to develop a Northern Hydrogen Re-fuelling Visualiser. This tool is intended to help build partnerships between potential users of hydrogen within the transport sector in the north of England and relate those local potential demand clusters to strategic infrastructure. Together, both tools will help inform the update to our regional decarbonisation strategy.

Technical Assurance Modelling and Economics (TAME)

Our core technical capacity and capability, provided through our TAME function, continues to evolve to benefit TfN's own work, and that of our partners and government. The function is central to our delivery of the 'TfN offer' (see below) to support local transport planning, and increasingly we are seeing other national partners and government departments interested in how our capability and extensive Analytical Framework can inform their work. As a publicly funded and owned resource, the 'TfN offer' provides partners with access to accumulated knowledge and expertise that can be shared easily to support efficient delivery.

Over the next year, we will undertake essential re-baselining and updating of the Analytical Framework to ensure our transport modelling system fully reflects post COVID travel patterns. We will also continue to support DfT's work on the IRP, including Bradford new station appraisal and revising evidence behind the NPR SOBC.

Within TfN, our TAME function will support work across our strategy, road, and rail activities, to ensure robust evidence and modelling inform our advice to government and support to partners. Specifically, this includes the plans for a Northern Appraisal Framework, updating the regional decarbonisation baseline and advice on MRN2 and bus service improvements.

Our work on a Common Analytical Framework (CAF) has progressed at pace over the last year, bringing a set of modelling tools (such as EVCI) and products together for other partners to use, including other STBs. The CAF development will continue through 2024, ensuring we have the systems, consistent platforms, and governance in place for effective use.

Alongside this, we will use it to provide increasingly granular data and analysis outputs for the North's MCAs/LTAs under the 'TfN offer'.

4. Enabling delivery: the 'TfN Offer'

TfN, as a statutory partner of the DfT, is here to enable delivery of transport infrastructure and services, in line with the ambitions of the STP. So, as well as our advisory role, we are increasingly providing direct services – like our TAME work on IRP - to partners to facilitate implementation.

Over the last year we have continued to build and evolve our service offer to our partners (the 'TfN offer'), using funding to enhance our policy and analytical capabilities for our partners. Support ranges from access to our evidence base to make the case for investment locally, to outputs from our Analytical Framework and availability (and assistance in application) of our mapping tools to inform local transport planning and delivery.

By offering such support through TfN, we have been able to utilise our in-house strategy, research, and analytical capabilities to help MCAs/LTAs. This service will continue to be available over the coming 12 months, and we will consider opportunities to expand our offer, where appropriate, to inform spending review advice. This includes the CAF development and also more hands-on support for business cases, subject to funding.

Demand continues to grow for the TfN offer – beyond MCAs/LTAs and the CAF for other STBs - and more recently national bodies have sought access to our data and tools. This level of interest is in part a reflection of the wider financial pressures across the public sector, and demonstrates the added value of having a publicly owned regional centre of excellence upon which partners can draw.

We are working with the NIC to inform their rail work following the Second National Infrastructure Assessment and will continue discussions with other government departments and public sector bodies on the application of our Analytical Framework to their work.

Elsewhere, our work with energy providers continues to align our evidence on EVCI and alternative fuels, with their data and systems to map future demand. We intend to continue strengthening those partnerships and extend them further to align with other policy areas such as digital connectivity and innovation. We see working in this way essential to delivering the STP outcomes, to ensure we join up policy in place for people.

Through the Rail North Agreement and associated Rail North Partnership team (RNP), we will also enable delivery of the STP by ensuring operator business plans reflect the ambitions it seeks to achieve. We will continue to ensure that our input helps reflect the North's specific needs and issues are reflected in funding allocations, so resources can be best deployed to maximise value for money alongside specific social and economic need in line with the STP.

5. Our people, resources and risk management

TfN's greatest asset is its people; and we are proud of the bright minds we have attracted, and continue to attract, to our workforce. It is our skills, knowledge and technical expertise that will enable us to deliver the priorities set out in this business plan. We will use externally-procured services to support our work where appropriate, where it presents good value for money and the expertise and/or capacity is not available within our team.

We have a framework which requires that the procurement of goods or services includes a competitive process that is appropriate to the value and complexity of the services/products and minimises barriers for suppliers to participate in such exercises.

[DN – use a call out box for list our values: We make a difference; We do the right thing; We are driven to succeed; We collaborate]

[DN: use a call out box to list our core behaviours

- Cultivate innovation - Creating new and better ways for the organisation to be successful.
- Ensure accountability - Holding self and others accountable to achieve results, even under challenging circumstances.
- Collaborate - Building partnerships and working collaboratively with others to meet shared objectives.
- Instil trust - Gaining the confidence and trust of others through honesty, integrity and authenticity.
- Financial acumen - Interpreting and applying understanding of key financial indicators to make better business decisions.]

Our values and behaviours underpin TfN's culture and ways of working, helping us create an agile and dynamic working environment where employees are trusted, valued, and invested in. We strive to be a best practice employer, ensuring we enable learning and development, empower, and support our managers, and have a strong employee voice. Our Employee Forum continues to meet regularly, and we work closely with UNISON, as our recognised Trade Union.

We are also committed to providing equal opportunities and diversity in all our employment practices and through our work. We are signatories to the Chartered Institute of Highways and Transportation Diversity and Inclusion Charter Statement and have an active internal diversity action group. We remain an accredited Living Wage Employer, are recognised as a Disability Confident Employer (stage two), and invest in the health, safety and wellbeing of our employees through various support programmes and activities.

We were delighted to achieve positive staff engagement survey results in late 2023, with an overall engagement score of 78%. Our focus for the year ahead is maintaining the good practices identified in those results, such as positive health and wellbeing and staff empowerment. We want to go further in some areas too, such as evolving the role of our senior management team and creating more engagement and development opportunities for current and future managers. We plan to conduct a follow-up 'pulse' survey in autumn 2024 to review progress.

2024/25 funding and budget

Through our annual budget and business planning processes we have reviewed our activities to ensure that they are focused on TfN's statutory role and responsibilities, and that they are affordable.

TfN is funded almost wholly by government. This business plan is based on an establishment for 2024/25 of 118 roles; of which 47 are to provide hosted activities (comprising 21 posts in the RNP team and 26 posts within TAME). This represents a small increase in establishment with the additional roles introduced to support growing work in our TAME team through the 'TfN offer' to our partners; increased capacity in our stakeholder engagement function to allow greater external facing work with more diverse groups; changes to deliver better value for money in the NPR Analytical Support team; and increases in the RNP team to strengthen our delivery capacity.

This is the second of a two-year core funding settlement which included £7.2m (for last year and this year) to deliver our statutory duties and TfN 'offer' to our partners. In addition, we have been provided with funding to support our 'hosted' activities described above, which are the rail operations delivered through the RNP, and the analytical support we provide to the NPR programme.

We have forecast an opening reserve balance of £3.6m, based on forecast outturn at 31 March 2024. We do intend to draw from our reserves over the coming year to maintain our current capacity and capability.

Our funding breakdown for 2024/25 is:

Activity	£'m
Core duties	
Core Grant	7.2
Rail North Grant/Local Contributions and other income	0.4
Use of reserves	1.3
	8.9
Hosted Services	
NPR Analytical Support	5.7
Rail North Partnership Grant	1.2
Rail North Grant/Local Contributions and other income	0.7
	7.6
Total Resource	16.5

We will be working with DfT over the coming months on future funding arrangements and expect to provide a spending review submission at a future date – in agreement with our Board - to set out TfN core funding requirements and the pan-regional connectivity investment needed in the next 1-5 years. In preparing this submission we will ensure that we continue to challenge our ways of working to ensure we remain efficient and continue to offer value for money.

We are subject to the same regulatory environment as local and combined authorities and must discharge our responsibilities as an autonomous body. We must also act in accordance with the Memorandum of Understanding that we have with the DfT.

Organisational operational expenditure consists of those costs incurred in the delivery of the ongoing business of TfN, the infrastructure required of any public body and the supporting functions that enable TfN to deliver upon its programmes of activity and broader aspirations.

To deliver the priorities set out in this plan, we budgeted expenditure for 2024/25 of £16.5m. This includes VAT, as we are unable to recover this on the purchase of goods and services, as a statutory sub-national.

Expenditure is anticipated to be incurred against the following activities:

Activity	£'m
Operational Costs	6.5
Business support costs	2.4
	8.9
Hosted Services	
Rail North Partnership	1.9

NPR Analytical Support	5.7
	7.6
Total Expenditure	16.5

Risk management

Our Risk Management Strategy continues to provide an effective framework within which risks are identified, evaluated and mitigated. Project and corporate risks are monitored regularly with senior managers, and reviewed quarterly by senior leaders. It remains a standing item for the Audit and Governance Committee, and the Corporate Risk Register is provided twice each year to the TfN Board.

6. Our corporate milestones

We have set out below our corporate milestones to allow us to track progress against this business plan. We will report via the TfN Quarterly Operating Report (which is shared with our partners), and capture achievements and deliverables across the year through our Annual Report and Accounts.

	Key milestone/activity	Due date
1	Secure the agreement of the Board to submit statutory advice on the North's Bus Network	June 2024
2	With partners, identify the North's requirements of national rail reform, building upon existing levels of rail devolution (such as the Rail North Agreement)	June 2024
3	Secure the agreement of the Board to a strategy for improving accessibility to and at rail stations, and to identify key actions for implementation	June 2024
4	Secure the agreement of the Board to submit statutory advice to Government on implementation of the Strategic Transport Plan	September 2024
5	With partners, identify proposals for investment in the Major Road Network for consideration by government	September 2024
6	Secure the agreement of the Board to publish an investment pipeline for the North that forms	September 2024

	the basis of input into the next Government Spending Review	
7	Deliver services commissioned by DfT in support of Northern Powerhouse Rail	Ongoing
8	Secure the agreement of the Board to publish, for consultation the draft update of the regional transport decarbonisation strategy	March 2025
9	Secure the agreement of the Board to submit statutory advice to delivery partners and regulatory bodies that will support delivery of investment in EV/alternative fuels infrastructure	March 2025
10	Continue to develop the 'TfN Offer' to partners across the North and nationally, including roll out of the Common Analytical Framework	Ongoing
11	Continue the TfN research programme and thought leadership activity as part of maintaining the evidence base that underpins the work of TfN	Ongoing
12	Continue to make the case for investment by government in the North's investment priorities for the Strategic Road Network and Rail Network	Ongoing

Meeting: Transport for the North Board
Subject: Corporate Risk Register
Author: Daniella Della-Cerra-Smith, Risk Manager
Sponsor: Paul Kelly, Finance Director
Meeting Date: Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 The purpose of this report is for TfN Board to gain awareness of TfN's corporate risks and risk-based activity over the last 6 months.

2. Recommendations:

- 2.1 TfN Board is invited to note TfN's corporate risks and risk management activity over the last 6 months.

3. Background:

- 3.1 As stated in the risk management strategy, the Board will receive a regular high-level summary of TfN's risk environment (Corporate Risk Register).

This report provides the Board with an update on the key organisational risks, which reflect the milestones, and business objectives outlined in the Business Plan for financial year 2023/24.

The three very high corporate risks are:

- Risk 647, Following the announcement of the cancellation of HS2, the policy announcement for Network North and the publication of the IRP that set out the Government's proposals in respect of NPR and TRU. There is a risk that individual programmes are not aligned and expected benefits not realised.
- Risk 916, Material variations from the funding/cost planning assumptions that underpin medium term sustainability.
- Risk 310, TfN could have a reduced role in the rail industry following the implementation of rail reform including the role with Great British Railways.

- 3.2 The Audit and Governance Committee provides assurance to the Board that efficient and effective risk management practice and processes are in place.

Its role in relation to risk is included in the broader detail of the Constitution, which is defined below:

"Audit and Governance Committee is a key component of corporate governance providing an independent, high-level focus on the audit, assurance and reporting framework underpinning financial management and governance arrangements. Its purpose is to provide independent review and assurance to Members on governance, risk management and control frameworks."

- 3.3 The terms of reference for the Audit and Governance Committee includes the requirement to:

"monitor Transport for the North's risk and performance management arrangements including review of the risk register, and progress with mitigating action".

- 3.4 The Corporate Risk Register was presented to the Audit and Governance Committee on 8 March 2024. The Audit and Governance Committee has delivered against the terms of reference which included discussions in relation to TfN's risk management practices.

Functional risk continues to be managed at functional levels and is considered individually and holistically at OBT quarterly.

A risk "deep dive" took place at Audit and Governance Committee in March for corporate risk 876 TfN Cyber Security. There were detailed discussions with committee members. TfN's IT Information Manager attended to discuss the risk in more detail.

Risk is a standing item at Audit and Governance Committee meetings and the Corporate Risk Register and Risk Management Strategy have been updated systematically during the year. This is highlighted in the Chair of Audit and Governance Committee's report to the Board, which provides assurance for TfN that efficient and effective risk management practice and processes are in place.

3.5 Following on from one of the actions identified by RSM (who undertake the internal audit service provision), as part of the risk maturity audit, TfN have undertaken its first assurance review with the CEO, Directors & members of SMT on all corporate risks.

4. Summary:

4.1 Risk workshops have taken place with the CEO, Directors and members of SMT across TfN, and all existing/new risks and mitigation actions have been reviewed and updated.

4.2 A risk "deep dive" was undertaken at Audit and Governance Committee on 8 March 2024 for corporate risk 876, TfN Cyber Security. There was a substantial level of engagement from members and a good level of assurance was gained.

5. Corporate Considerations:

5.1 *Financial Implications*

The financial implications are detailed within individual risks where applicable.

5.2 *Resource Implications*

The resource implications are detailed within individual risks where applicable.

5.3 *Legal Implications*

The legal implications are detailed within individual risks where applicable.

One of the purposes of the Audit and Governance Committee is to provide independent review and assurance to members on risk management. It also has to be satisfied that TfN's assurance framework adequately addresses risks. Its role is also to monitor TfN's risk arrangements including a review of the risk register and progress with mitigating action and the assurance map.

5.4 *Risk Management and Key Issues*

Section 1 of the Corporate Risk Register is part of this report.

5.5 *Environmental Implications*

There are no environmental implications from this report, and an impact assessment is not required.

5.6 *Equality and Diversity*

A full impact assessment is not required for this report.

5.7 *Consultations*

The CEO, Directors and members of SMT across TfN have been consulted as part of the risk workshops, and all existing risks and mitigation actions have been reviewed and updated.

6. Background Papers:

6.1 None

7. Appendices:

7.1 Appendix 1 – Section 1 Corporate Risk Register Feb 2024

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Transport for the North

Corporate Risk Register

February 2024

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Section 1 provides an executive summary of TfN's Risk Environment and Emerging Risks, key changes to the register since the last risk review, TfN's 2023/24 milestones and corporate risk dashboard.

Executive Summary

1.1 TfN's Risk Environment and Emerging Risks

- 1.1.1 To understand how TfN's corporate risks are impacted by the mitigation activities, TfN has assessed the level of control on the risk actions and the extent to which TfN is able to influence or control those risk outcomes. TfN do not have full control over all mitigation actions. The avoidance and reduction of the assessed impacts are contingent on partners and members taking further action.
- 1.1.2 Recognising the current fiscal environment including the cost of inflation, TfN are closely monitoring funding risks and budget expenditure. There is a risk at functional level to manage and monitor budget assumptions and there is a corporate risk relating to medium term sustainability.
- 1.1.3 Following on from the announcement of the cancellation of HS2 Phase 2 and the policy announcement for Network North TfN is currently reviewing the potential implications and new risks will be considered as TfN gain further detail. Existing risks are also being reviewed and updated to reflect TfN's current environment.
- 1.1.4 TfN continue to monitor the political environment, particularly with a general election on the horizon and how this may impact on the delivery of TfN's objectives. Discussions are taking place in risk reviews across TfN in relation to potential risks. On the basis the STP is adopted by the TfN board in March TfN is considering advice on implementation of the STP including a Northern appraisal framework and pan regional investment pipeline. Risks will be considered as part of this process.
- 1.1.5 TfN continue to review and update the corporate risk register which will be in line with the 2024/25 business plan and updated milestones.
- 1.1.6 TfN, like government departments and other public bodies is evaluating potential changes in its operating environment given the upcoming general election and likely spending review. TfN has a confirmed funding allocation till March 2025 and is working with partners on future opportunities, objectives, and priorities in support of the STP.

1.1.7 Risk 882 - providing a direct service to DfT could create short term operational challenges to TAME's services in delivering TfN 's objectives. This risk will be considered (as part of the next review cycle) for de-escalation to functional level as relationships with DfT are effective and prioritisation through the business planning process is proving effective.

Key Changes to the Corporate Risk Register

1.1.8 Risk 647 – Rail, Individual programmes are not aligned and expected benefits not realised. Risk action due dates have been updated.

1.1.9 Risk 881 - Endorsement of STP refresh, reduced probability current and target position as TfN is on schedule to present the revised STP to board March 24. Action 2500 review and update NPIER is complete.

1.1.10 Risk 310 – TfN could have a reduced role in rail industry, risk action description and due dates updated to reflect current position.

1.1.11 Risk 643 – Recruitment and retention of staff, risk description reworded to include 2024/25 business plan and action 2843 reworded following completion of TfN's staff engagement survey.

1.1.12 Risks 311 – Future timetable changes, risk reworded to include passengers and freight. Action 2638 updating to reflect current position.

1.1.13 Risk 298 – Transport Investment, risk action 2503 updated to reflect the project management framework.

1.1.14 Risk 877 – TfN’s influence on the NPR Programme, updated actions, and due dates.

1.1.15 Risk 299 – TfN’s contribution to achieving Decarbonisation – action 2781 updated to reflect current position.

Key Milestones

1.1.16 Our key milestones monitor and measure our progress and performance and ensure that we provide value for money. The milestones that we have adopted for 2023/24 are set out below:

Milestone	Detail	Delivery
1	Consult on a revised Strategic Transport Plan	Summer 2023
2	Publish Connected Mobility Strategy	Summer 2023
3	Secure adoption of revised Strategic Transport Plan	December 2023
4	Rail Reform – Issue Proposition for the North	December 2023
5	Provide annual STP action plan	March 2024
6	Update Future Transport Scenarios	March 2024
7	Consult on, and then publish final Strategic Rail Report	March 2024
8	Ensure a strong case is forwarded for recommended RIS investment in the North	March 2024
9	Publish TfN’s Bus Policy position.	March 2024
10	Implement an online local public transport data toolkit	March 2024
11	Develop a submission to government that identifies opportunities to build on TfN’s technical capabilities	March 2024

Corporate Risk Dashboard

19 Risk factors	0 New risk factors	82 Mitigation actions	58 Ongoing actions	18 Mitigation actions due by 30 Jun 24	1 actions closed in the last quarter	0 New action
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ID	Corporate risks, by highest current score	Current Score	Target Score	Risk Owners
647	Following the announcement of the cancellation of HS2 phase 2, the policy announcement for Network North and the publication of the IRP that set out the Government's proposals in respect of NPR and TRU. There is a risk that individual programmes are not aligned and expected benefits not realised.	20	18	Rail/Roads Director
916	Material variations from the funding/cost planning assumptions that underpin medium term sustainability.	19	17	Finance Director
310	There is a risk that TfN could have a reduced role in the rail industry following the implementation of rail reform including the role with Great British Railways.	19	17	Rail/Roads Director
880	TfN are unable to provide the One Voice for the north in relation to strategic transport investment priorities, and policy positions.	18	15	Chief Executive Officer
879	Despite our statutory status there could be a material change in government's commitment to STB's/reduction of remit and powers of TfN or a change in views/approach as to how STB's function.	17	17	Chief Executive Officer
643	TfN's is unable to recruit and retain suitable staff to deliver the 2023/24 business plan and medium to long term TfN objectives.	17	17	Head of Human Resources
881	TfN are unable to produce a draft STP that will be endorsed by TfN Board and government in time to consult and then adopt the plan by the end of March 2024.	17	13	Strategy, Analysis & Comms Director
300	There is a risk that TfN fails to deliver Value for Money.	17	13	Finance Director
640	Inappropriate disclosure of confidential information may create a legal liability.	15	15	Rail/Roads Director
311	Future timetable changes in the North reduce rail connectivity.	15	15	Rail/Roads Director
298	There is a risk that TfN might be unable to make a timely, robust, credible, evidence-based case for investment in transport.	15	11	Rail/Roads Director

ID	Corporate risks, by highest current score	Current Score	Target Score	Risk Owners
309	The long-term effect of Covid-19/current fiscal environment may impact on the viability of train services and future investment decisions. The pandemic has changed travel patterns and behaviours and therefore service and investment decisions will need to reflect new markets and emerging evidence of demand.	14	14	Rail/Roads Director
877	TfN is unable to influence the NPR Programme to ensure that agreed outputs are delivered in a way that works for the North and that the TfN Board and TfN Partners have appropriate involvement in NPR and the ability to influence its development.	14	10	Chief Executive Officer
303	TfN fails to comply with applicable law or exceeds its powers while carrying out its functions.	11	11	Rail/Roads Director
299	Within its Decarbonisation Strategy and STP, TfN and its partners have committed to achieving close to zero emissions (between 1&2% of 2018 levels) for surface transport in the North by 2045. TfN is unable to deliver its contribution to achieving this target.	11	8	Strategy, Analysis & Comms Director
920	Failure to comply with good practice, governance and corporate processes across the organisation.	11	8	Chief Executive Officer
876	Cyber disruption/attacks to the available information and technical infrastructure. Inappropriate user access to confidential information. Access maybe limited for an unknown period of time.	10	10	IT Manager
882	Providing a direct service to DfT could create short term operational challenges to TAME's services in delivering TfN 's objectives.	10	8	Strategy, Analysis & Comms Director
999	Mismatch between the TfN offer and what resources TfN currently have in place.	8	8	Strategy, Analysis & Comms Director

Key impacts across risks:

Failure to make timely, evidence-based advice to Government.

Delaying or preventing the benefits of strategic transport plan.

Recruitment and retention of staff/ Organisational culture could be impacted.

TfN fails to manage Partner expectations within the current statutory powers.

TfN fails to deliver on its commitments laid out within the TfN Decarbonisation Strategy.

Potential legal costs or challenges and/or programme delays could result in extra costs and resources.

TfN could lack the powers or the influence to deliver economic, social and sustainability benefits to the North.

TfN reputational damage/ loss of credibility/ relationships with Partners & stakeholders could be adversely affected.

Less investment in services and infrastructure/ decline in rail services and local connectivity, thereby reducing choice for passengers and potential impact on freight growth.

TfN's ability to deliver statutory duties/ Failure to achieve Value for Money could impact on TfN's ability to access funding in the future.

A less effective sponsorship arrangement could result in missed opportunities to align investment with other delivery opportunities across the industry.

If the required level of policy commitment to deliver close to zero by 2045 is not achieved in the medium to long term, this might contribute towards an excess of agreed global temperature rise (as defined by the Paris Agreement) and climate change which might impact upon the resilience of the North's transport infrastructure.

Key actions across risks:

Collaborate with DfT on NPR Sponsor Board

TfN to demonstrate value for money

Partner/stakeholder/DfT Engagement

Manage interdependencies

Structured engagement with government officials/ decision makers

Threat Scoring	
Issue	
Very High	19 - 25
High	14 - 18
Medium	7 - 13
Low	1 - 6



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Meeting: Transport for the North Board
Subject: Governance Update
Author: Julie Openshaw, Head of Legal
Sponsor: Martin Tugwell, Chief Executive
Meeting Date: Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 To enable the Board to consider and action recommendations from General Purposes Committee on the membership of Board.

2. Recommendations:

- 2.1 It is recommended that the Board:

- Reaffirms the co-option of representation from the business community on the Board and Partnership Board
- Agrees that where a LEP continues in a modified form it shall continue to nominate a co-opted non-voting representative on TfN's Board and Partnership Board
- Agrees that where the responsibilities of a LEP have been subsumed into Business Boards within their Constituent Authority, that Authority is invited to nominate a business representative from that Business Board to be co-opted on to TfN's Board and Partnership Board
- Agrees that the arrangements for business representation on the Board are reviewed by the General Purposes Committee after 12 months
- Notes the changes to the Constituent Authority membership of Transport for the North and the effective dates for those changes, and notes that the consequential changes to Constitution will be made under officer delegated authority at the appropriate time.

3. Business Representation:

- 3.1 The Constituent Authority members (i.e. the voting members) of TfN have always been very clear about the importance of having a strong business voice on TfN. The Board decided unanimously when it was established as a statutory body on 1 April 2018 to co-opt a representative onto TfN Board and Partnership Board from each of the 11 Local Enterprise Partnerships (LEPs). In accordance with the Regulations which established TfN as a statutory body, co-opted members must be non-voting. The Board has also decided, more recently, that Partnership Board should also include a representative from the Chambers of Commerce. Although Partnership Board is separate from, and serves a different purpose to Board, this evidences the importance TfN attaches to ensuring input from business representatives.
- 3.2 Following the withdrawal of central funding for LEPs beyond 2023/4, Constituent Authorities have been considering the future of their LEPs and in a number of cases have already implemented alternative arrangements. Of the 11 LEPs that were in operation, a number are continuing to operate in their original format, with others having had their functions subsumed into Business Boards operated within the relevant Constituent Authorities.
- 3.3 The General Purposes Committee has considered TfN's position regarding the business voice and has recommended that TfN should continue to have strong

business representation on both the Board and Partnership Board. It further recommends that where the LEPs continue in a modified form they continue to nominate a co-opted representative. For areas where the LEP has been subsumed into a Business Board, it recommends that the Constituent Authority be invited to nominate a representative from that Business to be co-opted.

3.4 A specific Board resolution is required to co-opt members as the new arrangements do not automatically replace the arrangements for the former LEPs. A decision to co-opt replacement members needs to have the unanimous support of TfN's Constituent Authority members.

3.5 Given that the arrangements for business representation remain in a period of transition the General Purposes Committee recommended that the arrangements for TfN be reviewed after a period of 12 months.

4. Constituent Authority membership:

4.1 Since 2018, the number of Constituent Authorities that form TfN has changed from 19, to 21 because of changes in local government structures. This number will revert to 19 in 2024 and reduce to 15 by 2025 because of devolution deals.

4.2 Two changes in 2024 will affect TfN's membership. Firstly, the York and North Yorkshire Combined Authority Order 2023 (which amends the Sub-national Transport Body (Transport for the North) Regulations 2018) came into force on 20 December 2023, and establishes the new combined authority from 1 February 2024. This provides for a Mayoral election on 2 May 2024 with the elected Mayor taking office from 7 May 2024. The new Mayor, or other representative as permitted by the Regulations, will replace two existing authorities on TfN (City of York and North Yorkshire Councils). As no Mayor has yet been elected, interim representatives of the Y&NYCA have been selected locally to replace the previous members from City of York and North Yorkshire.

4.2 In the North East, the current two Combined Authorities, namely the North East Combined Authority (NECA), and The North of Tyne Combined Authority (NoTCA), will be replaced by a new North East Mayoral Combined Authority (NEMCA). On 2 May 2024 an election for a new directly elected Mayor will be held, with the Mayor's term of office commencing on 7 May 2024. The secondary legislation to effect changes to TfN's membership has yet to be made, but it is anticipated that the changes for TfN will not be effective until 7 May 2024. Accordingly, the existing members for the two combined authorities continue to represent their areas at TfN's 20 March Board meeting, and the new Mayor or other representative as permitted by the Regulations will represent NEMCA from 7 May 2024.

4.3 The 2023 Autumn Statement as published on the Government website outlines further future changes to areas within England, with three of the four areas it refers to involving TfN, namely (i) Hull and East Yorkshire, (ii) Greater Lincolnshire, and (iii) Lancashire. The website information includes an explanation of historic deals (for context), and information on possible future devolution deals which may lead to further reorganisation. Hull and East Yorkshire, and Lincolnshire have been offered a "Level 3" deal, with first elections for Mayors in May 2025. Lancashire has been offered a "Level 2" deal, with the formation of a non-Mayoral combined authority with Blackpool, and Blackburn with Darwen from 2025.

For the "Level 3" deals powers similar to devolution arrangements agreed in 2022 for York and North Yorkshire, and the North East are described as "broader than the Government's long standing focus on transport, skills and the economy "but will include these areas. The Hull & East Riding devolution includes funding for "transport, flood and coastal erosion programmes." This and the Greater

Lincolnshire deal “anticipate the Mayor taking on roles around careers advice and resilience.” They “feature a new collaborative partnership with the Department for Culture Media and Sport’s national delivery bodies”.

The “Level 2” powers for the Lancashire deal involve fewer powers, as the Levelling Up White Paper and Devolution Framework anticipated. There is no annual investment fund, power to raise Council Tax, brownfield housing funding or a single transport fund but they will manage the Adult Education Budget and UK Shared Prosperity Fund for the areas (as Mayoral areas do). Whilst there will be no transport fund, it is anticipated that the Regulations will be amended to provide the new authority is the relevant TfN Constituent Authority from the relevant date.

4.4 The following therefore summarises the expected effect on TfN Board and Partnership Board Membership:

- For York and North Yorkshire - the York and North Yorkshire Combined Authority member replaces North Yorkshire and City of York from 20 December 2023
- For the North East - the North East Mayoral Combined Authority (NEMCA) member will replace NECA and NoTCA from 7 May 2024
- From 2025, the two Hull, and East Riding of Yorkshire seats on Board will be replaced with the new single Mayor
- For Greater Lincolnshire from 2025, the new Mayor will replace two North East Lincolnshire and North Lincolnshire members for the Lancashire non-Mayoral combined authority, the Leader of that new authority will replace the three current members for Lancashire, Blackpool and Blackburn with Darwen.

As a result of these changes the TfN Board membership will reduce to 15 by 2025.

4.5 There is likely to be a need for more detailed consideration of the Regional Groupings used for representation on Rail North Committee and General Purposes Committee because of rail reform. In the meantime, the current changes raise the more immediate need to update the Regional Groupings tables for RNC and GPC in paragraphs 21.6 and 22.9 of the Constitution.

City of York has historically been grouped with WYCA, with voting allocations for each authority being combined for these purposes. WYCA will now be alone in its group, with the City of York voting allocation transferred to Y&NYCA. The Grouping which historically comprised solely of North Yorkshire will now be the sole authority in it amended to Y&NYCA, and the voting allocations for North Yorkshire and City of York combined.

NoTCA and NECA are already grouped together, so the new NEMCA will replace them in the Group and have both their voting allocations transferred to it. These amendments and any consequential ones arising can and will be made under the delegated authority of the Monitoring Officer in consultation with the Chief Executive.

5. Corporate Considerations:

Financial Implications

5.1 There are no finance implications to TfN as a result of this report.

Resource Implications

5.2 There are no direct resourcing implications to TfN as a result of this report.

Legal Implications

5.3 Legal implications including the provisions of the Constitution and Sub-national Transport Body (Transport for the North) Regulations 2018 as amended, are included within the report.

Risk Management and Key Issues

5.4 There are no risk implications as a result of this report. TfN have a risk on the corporate risk register which relates to compliance with good practice, governance and corporate processes.

Environmental Implications

5.5 There are no environmental implications as a result of this report.

Equality and Diversity

5.6 There are no environmental implications as a result of this report.

Consultations

5.7 None required.

6. Background Papers:

6.1 None.

7. Appendices:

7.1 None.

Glossary of terms, abbreviations and acronyms used

LEP	Local Enterprise Partnership
NECA	North East Combined Authority
NEMCA	North East Mayoral Combined Authority
NoTCA	North of Tyne Combined Authority
TfN	Transport for the North

Meeting:	Transport for the North Board
Subject:	Department for Transport's National Bus Strategy
Author:	Kirsten Keen, Senior Strategy and Planning Officer
Sponsor:	Darren Oldham, Rail and Road Director
Meeting Date:	Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 Stephen Fidler, Co-Director of Local Transport, DfT, will be in attendance at the Board meeting to discuss progress to date and future plans in respect of the National Bus Strategy. The Board has identified the importance of buses and scheduled coaches as critical parts of the transport system. A substantive report will be brought to the June meeting of the Board: this item provides members with the opportunity to provide a steer to shape and inform that report.

2. Recommendations:

- 2.1 It is recommended that the Board notes the background context for the agenda item with DfT.

3. Context:

- 3.1 Bus services are a vital part of the North's transport system. They are relied upon by millions of citizens and critical to enabling people without a car to access jobs, education and the wider opportunities that support a good quality of life. Reliable bus services that are well integrated with other travel modes are essential to delivering the three ambitions set out in TfN's Strategic Transport Plan:

- Transforming economic performance
- Rapid decarbonisation of our transport network
- Enhancing social inclusion and health.

- 3.2 The Strategic Transport Plan has a sustainable modes target of 51% by 2050, covering both public transport and active travel. This is in comparison to the current baseline of 36%. However, the North currently has an average of 36% less bus mileage than in 2005, a steeper reduction than the national average of 28%.

If the North is to meet its ambitions for a zero carbon transport network, reduced social inequality and higher economic performance, substantial bus network improvements are required.

4. Background:

- 4.1 The National Bus Strategy, Bus Back Better, published in March 2021, is an ambitious strategy that sets out how the Government would "launch a revolution in bus services". The document describes the vision and opportunity to deliver better services for passengers across England including how services are planned.
- 4.2 Since publication of Bus Back Better, the Department for Transport (DfT) has supported local authorities with the creation of Bus Service Improvement Plans (BSIP) and Zero Emission Bus Regional Areas (ZEBRA) funding.

It has setup the National Bus Centre of Excellence and funded Enhanced Partnership roles to support resourcing within some local authorities. The

Department has also supported bus passengers with the introduction of the £2 flat fare for single journeys outside of London.

- 4.3 The impact of this is already visible across the North. This includes the procurement of hydrogen and electric buses, introducing new concessionary fare schemes for young people and improving customer service.
- 4.4 Local authorities, however, are operating in a challenging financial environment, and there has been a trend of reduced funding for bus services.

Commitments in the National Bus Strategy that have yet to be delivered, include:

- Strengthening statutory guidance on Enhanced Partnerships and franchising
 - Reforming and devolving the Bus Service Operators Grant (BSOG).
 - Reviewing whether it remains right that local authorities cannot set up new bus companies
 - Issuing new guidance on the meaning and role of 'socially necessary' services, expanding the category to include 'economically necessary' services
 - Ensuring that Government-funded buses deliver greater accessibility
 - Working towards the inclusion of bus services in rail journey planners as standard.
- 4.5 Transport for the North has been closely working with partners and key stakeholders to develop a set of policy recommendations for government to support partners in increasing bus patronage in the North. It is our aim to ensure these policies changes will enable partners to deliver the ambitions of the National Bus Strategy in the most cost effective and efficient way and provide local authorities with greater autonomy to deliver place-based solutions that best meet the needs of their communities. We will present our recommendations to TfN Board in June 2024.

5. Next Steps:

- 5.1 This item provides the opportunity for the TfN Board to explore with the DfT the progress and upcoming work on delivering the National Bus Strategy, ahead of considering policy recommendations at the June Board.

6. Corporate Considerations:

Financial Implications

- 6.1 This paper is for information only so there are no financial implications.

Resource Implications

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

Legal Implications

- 6.3 Any legal implications are contained within the body of this report.

Risk Management and Key Issues

- 6.4 This paper is for information only so there are no risk implications.

Environmental Implications

- 6.5 This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the Environmental Impact Assessment (EIA) Directive and therefore does not stimulate the need for Strategic Environmental Assessment or EIA.

Bus travel has an essential part to play in achieving our decarbonisation objectives within TfNs Decarbonisation Strategy, particularly around reducing private car vehicle mileage.

Equality and Diversity

- 6.6 This report does not constitute or influence a plan or programme so there are no implications for equality and diversity.

Consultations

- 6.7 This paper is for information only – no consultations have taken place.

7. Background Papers:

- 7.1 DfT National Bus Strategy

8. Appendices:

- 8.1 n/a

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Meeting:	Transport for the North Board
Subject:	Rail North Committee Update
Author:	David Hoggarth, Head of Strategic Rail
Sponsor:	Darren Oldham, Rail and Road Director
Meeting Date:	Wednesday 20 March 2024

1. Purpose of the Report:

- 1.1 To provide the Board with feedback on the matters discussed at the Rail North Committee (RNC) Consultation Call on 21 February 2024.

2. Recommendations:

- 2.1 That the Board notes the feedback from the RNC including the initial output from the Accessibility Task and Finish Group, and progress made by TransPennine Express on their recovery plan

3. Rail Accessibility Task and Finish Group Initial output

- 3.1 Members considered feedback from the initial meeting of the Task and Finish Group which was held on 25th January 2024. The Committee heard that, at the current rate of progress, it would take over 50 years to bring all stations up to the desirable level of accessibility. Members considered two options for accelerating progress (including delivering step free access to all stations); on either a 20-year programme or on an accelerated 10-year programme. The Committee agreed that the 10-year programme should be developed and incorporated into a TfN Stations Strategy, to be completed by June 2024.

4. Rail North Partnership Operational Update***Avanti West Coast***

- 4.1 The outcome of the Committee's discussion with Avanti West Coast is the subject of a separate report to this Board.

TransPennine Express

- 4.2 Chris Jackson from TransPennine Express (TPE) updated members on progress against TPE's recovery plan. He highlighted that the amended timetable (from December 2023) was working well and delivering the increased reliability predicted. TPE is on track to restore the full timetable from December 2024. Enhancements from summer 2024 would be targeted at areas where more resources are predicted to be available. Some driver depots were not yet at the level of resilience required in the previously agreed metrics and therefore uplifts would be focused on the other areas.

CrossCountry

- 4.3 The Committee received a business update from Ben Simkin of CrossCountry Trains. Mr Simkin highlighted the relevant parts of their new National Rail Contract (with DfT) including rolling stock and service enhancement plans. He also covered recent performance impacts including that due to storm damage.

Northern

- 4.4 Nick Donovan of Northern provided an update and the Committee noted it was Nick's last Committee meeting before handing over to the new Managing Director,

Tricia Williams. The Committee thanked Nick for navigating Northern through their transition as part of the move to Operator of Last Resort.

5. Infrastructure Focus:

5.1 The Committee received a report on the progress made in respect of infrastructure investment programme across the North. They noted that the cancellation of HS2 and the announcement of Network North had created a number of areas of uncertainty in the programme and that these would need to be given further consideration once a review of the uncertainties had been completed. The report provided updates on the Transpennine Route Upgrade, Hope Valley Upgrade, Manchester and North West Programme, Leeds Area, East Coast Main Line and West Coast Main Line North. The Committee wrote to the DfT and provided a number of suggestions aimed at better integration of the programmes and provide greater opportunity for local input. Suggestions which have been included are as follows: Transport for the North representation on all relevant Programme Boards, the establishment of Task Forces to coordinate work around Leeds and Sheffield stations and publication of an updated Rail Network Enhancements Programme.

6. Business Plan and Member Contributions 2024/25:

6.1 Members endorsed the Strategic Rail priorities to be included in the TfN Business Plan for 2024/25 and also the approach to members' contributions for the next financial year. These recommendations have been included in the proposed budget in a separate report to the Board.

7. Rail Outlook and the Strategic Transport Plan:

7.1 The Committee considered a report highlighting the significant growth which the rail network would need to accommodate by 2050 in order to meet the Strategic Transport Plan outcomes. It set out the key challenges faced by passengers and freight users and the types of interventions that will be required. TfN's evidence base was set out in the Strategic Rail Report which, following public consultation, had been updated to support the final Strategic Transport Plan. The Committee agreed to facilitate further comments from Members prior to a substantive discussion at a future meeting.

7.2 The Committee also considered reports on the Train Operator Annual Business Plans for 2024/25 and rolling stock procurement.

8. Corporate Considerations:

Financial Implications

8.1 There are no financial implications for Transport for the North 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 Any legal implications are included within the report. It is within Transport for the North's power to be consulted over the grant of rail franchise agreement for passenger services within, to and from, the Transport for the North Area and also the right to enter into arrangements with the Secretary of State relating to the management of rail franchise agreements.

The Rail North Committee on behalf of Transport for the North, manages the franchise agreements of the train operators (Northern and TransPennine Express)

in accordance with the terms and conditions of the Partnership Agreement between Transport for the North and the Secretary of State.

Risk Management and Key Issues

- 8.4 This paper does not require a risk assessment, however, risks relating to the future of rail services were highlighted in the Committee meeting. A risk has been included on the Transport for the North Corporate Risk Register in relation to the future viability of rail services and Transport for the North’s future role.

Environmental Implications

- 8.5 This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the Environmental Impact Assessment (EIA) Directive and therefore does not stimulate the need for Strategic Environmental Assessment (SEA) or EIA. Any infrastructure proposals to improve the capacity and reliability of the system will be subject (where appropriate) to EIA Screening, conducted by Network Rail as part of the consenting process for those projects.
- 8.6 Passenger rail has an essential part to play in achieving our decarbonisation objectives within Transport for the Norths Decarbonisation Strategy, particularly around reducing private car vehicle mileage.

Equality and Diversity

- 8.7 Accessibility of the rail network is being picked up through the Task and Finish Group which reported its initial findings to the Committee. An Equality Impact Assessment has been undertaken in relation to accessibility of the rail network. Improvements to rail network accessibility issues will have a positive impact of individuals.

Consultations

- 8.8 There are no specific consultations required as part of this report.

9. Background Papers:

- 9.1 None.

10. Appendices:

- 10.1 None.

Glossary of terms, abbreviations and acronyms used

a)	DfT	Department for Transport
b)	ECML	East Coast Main Line
c)	TPE	TransPennine Express
d)	NPR	Northern Powerhouse Rail

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