

Transport for the North Scrutiny Committee Consultation Call Agenda

Date of Meeting	Thursday 21 November 2024
Time of Meeting	11.00 am
Venue	Virtual

Filming and broadcast of the meeting

Meetings of the Transport for the North are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

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 note the minutes of the meeting held on the 5 September 2024 (including updates on agreed matters as appropriate).</p> <p>Lead: Chair</p>	3 - 12
4.0	<p>Transport for the North Business Planning 25/26</p> <p>To consider and feedback on TfN's emerging business plan for 2025/26, prior to it being considered at the December Board.</p> <p>Lead: Katie Day</p>	To Follow
5.0	<p>Decarbonisation Strategy Stocktake and Action Plan Update</p> <p>To consider the update on Transport for the North's Decarbonisation Strategy stocktake exercise, including early findings and next steps.</p>	13 - 16

	Lead: Peter Cole	
6.0	<p>Quarter 2 Quarterly Operating Report</p> <p>To consider the quarter 2 Quarterly Operating Report</p> <p>Lead: Katie Day</p>	17 - 28
7.0	<p>Date and Time of the Next Meeting</p> <p>27 February 2025 11am</p>	

Scrutiny Committee Minutes

Thursday 05 September 2024
Meeting Room A & B, Platform, New Station Street, Leeds

Present:

Attendee	Local Authority
Cllr Paul Haslam	York and North Yorkshire Combined Authority;
Cllr Rod Fletcher	Cheshire East;
Cllr Jill Perry	Cumberland;
Cllr Gary McMaster	East Riding of Yorkshire;
Matthew Salter	Lancashire;
Cllr Damian O'Connor	Liverpool City Region;
Cllr Colin Feguson	North East Combined Authority;
Cllr Steve Holland	North East Lincolnshire;
Cllr John Davison	North Lincolnshire;
Cllr John Healy	South Yorkshire Mayoral Combined Authority;
Cllr Steve Parish	Warrington;
Cllr Andy Connell	Westmorland and Furness;
Cllr Eric Firth	West Yorkshire Combined Authority;

Officers in Attendance:

Name	Job Title
Gary Rich	Democratic Services Officer
Katie Day	Deputy Chief Executive
Paul Kelly	Finance Director
Matt Smallwood	Head of Digital Strategy
Julie Openshaw	Head of Legal
Andrew Hough	Planning and Strategy Officer
Simon McGlone	Senior Planning and Strategy Officer

Item No:

Item

- 1 Election of the Chair and Majority and Minority Group Vice Chairs**
 - 1.1 The Head of Legal opened the meeting and invited nominations for the position of Chair of the Committee. Cllr Haslam was nominated by Cllr Davison and this was seconded by Cllr Firth, and he was elected unopposed.
 - 1.2 The Chair invited nominations to the position of Majority group Vice Chair. Cllr Firth was proposed by the Chair and this was seconded by Cllr Davison, and he was elected unopposed.

- 1.3 The appointment of the minority group Vice Chair was deferred until the following meeting.

Resolved:

- 1) That Cllr Haslam be appointed as Chair of the Transport for the North Scrutiny Committee for the 2024/25 Municipal Year
- 2) That Cllr Firth be appointed as majority group Vice Chair of the Transport for the North Scrutiny Committee for the 2024/25 Municipal Year.
- 3) That the appointment of the minority group vice chair be deferred.

2 Welcome & Apologies

- 2.1 The Chair welcomed all in attendance and informed Members that the meeting is being recorded. Apologies were received from Cllrs Shorrocks, Boughton, Walker, Place, Prescott and Rowe.

3 Declarations of Interest

- 3.1 Cllr Fletcher declared that he is Vice Chair of the Public Transport Consortium.

4 Minutes of the Previous Meeting

- 4.1 The minutes of the meeting held on 27 February 2024 were considered and their accuracy as a correct record confirmed. The minutes were proposed by Cllr Parish and seconded by Cllr Salter.
- 4.2 Cllr Parish observed that declarations of interest had been received from Cllr Boughton and Broughton, yet their attendance hadn't been recorded in the minutes.
- 4.3 The Democratic Services Officer clarified that whilst both were in attendance this had inadvertently not been included in the minutes. He noted that this should have read as Cllr Boughton and Bamborough and that these changes have now been made and the minutes on the website have been corrected.

Resolved:

That the minutes of the meeting held on 27 February 2024 be approved as a true and accurate record.

5 Scrutiny Committee work 2023-2024

- 5.1 Members received the report of the Democratic Services Officer.
- 5.2 The Deputy Chief Executive highlighted the key points in the report and thanked the Committee for its work over the previous year. She specifically highlighted the contribution to the Strategic Transport Plan, which supported the plan being presented to the Transport for the North (TfN) Board's meeting in March for approval. Looking ahead, she asked for any comments that the Committee might have as to how Officers can engage with Members in the future.
- 5.3 The Chair commented that this report also helps to inform the work of the Audit & Governance Committee, as it reports on the work of the Committee. He reminded Members that the Committee works on a

Scrutiny first basis, meaning that the Committee scrutinises reports before going to Board.

- 5.4 Cllr Parish stated that the Strategic Transport Plan will need funding and Government decisions on finance may affect some of the work that can be done; he specifically referred to work on the A66.

Resolved:

That the Scrutiny Committee activity for the Municipal year be noted.

6 Transport for the North Priorities to inform Business Planning

- 6.1 In introducing the report, the Chair explained that TfN is seeking to help save local authorities money and described it as the “added value” of TfN, which is able to offer knowledge and training to authorities who lack sufficient in-house capacity.
- 6.2 Members received the report of the Chief Executive and Deputy Chief Executive. The Deputy Chief Executive then highlighted the key points within the report and requested a steer from the Committee.
- 6.3 The Chair referenced section 8.3 of the report and highlighted the £360k savings as a result of TfN’s work and the importance of this to local authorities with the prospect of further austerity looming. He further highlighted that the spend also generated circa £3 million worth of value.
- 6.4 Cllr Salter commented on the positive cost savings, stating that this news should be shared more widely. He emphasised the importance of continuing to be able to demonstrate this value for money if public finances continue to be limited.
- 6.5 He then asked about the modelling behind the ‘right share’ metrics in the Strategic Transport Plan, and specifically what assumptions had been made on travel behaviours and population growth, given potential for change between now and 2045.
- 6.6 The Deputy Chief Executive explained that the assumptions are based on TfN’s Future Travel Scenarios, which underpin the ‘right share’ metrics. These set the ambition on where TfN would like to see the greater use of public transport and more sustainable transport. The Future Travel Scenarios analysis had allowed TfN to gauge what the appropriate metrics would be. She further explained that the evidence behind that work does include population growth assumptions, and advised she could provide further detail outside the meeting.
- 6.7 In response Cllr Salter suggested that projections may need to be adapted over time should the context change.
- 6.8 The Deputy Chief Executive agreed and explained that alongside the Strategic Transport Plan, a Monitoring and Evaluation framework was in place, which enables TfN to check on progress against the ambitions on an annual basis. TfN members can then consider if any adjustments may be needed to reflect a change in context.
- 6.9 Cllr Davison expressed a general concern about the lack of consideration of infrastructure when locations are chosen for new housing estates, as and the risk of locking in car dependency. He stated that new housing

- developments need public transport links included in considerations when they are being planned.
- 6.10 The Deputy Chief Executive said that she will feed Cllr Davison's comments into a report to Board for them to consider if they would like TfN executive to undertake work on this matter.
- 6.11 Cllr Perry requested that rural public transport issues be given more prominence on agendas.
- 6.12 The Chair added that any new housing estate must provide access not just for cars but for active travel and buses as well.
- 6.13 The Deputy Chief Executive noted that from the comments to date the Committee wants TfN to continue to make rural connectivity a priority. This feedback will be shared with Board and officers can continue to work cross border on matters where effective to do so.
- 6.14 Cllr Ferguson commented on funding for TfN's ambitions. He suggested that public/private partnerships may be one such way in which this can be achieved, and if this is an option that is explored, then it is important that it is done correctly and that lessons be learnt from the past.
- 6.15 The Deputy Chief Executive explained that one of the debates that took place when developing the Strategic Transport Plan was about creating long term certainty around policy and an investment pipeline. The Plan made proposals to give local partners more certainty of funding, which in turn could allow different conversations with the private sector on investment opportunities.
- 6.16 Cllr Davison raised the issue of Section 106 contributions and believes that this is something that needs to be addressed with Government. Cllr Parish questioned how much unspent Section 106 money for transport may be available but as yet unused.
- 6.17 Cllr Healey stated that more consultation with the public is needed particularly on the advisory Labour Party document, and this may allay some of the fears that have been expressed.
- 6.18 The Deputy Chief Executive commented that TFN sees consultation with the public as vital and is intending to build on existing arrangements to engage stakeholders and the public, to ensure their voice is captured where needed. She noted that this can help strengthen work and inform the decision-making process.
- 6.19 Cllr Firth referred to buses in rural areas. explaining that West Yorkshire is moving to a franchising model, and it is hoped that future rural services will expand as a result.
- 6.20 Cllr Fletcher asked for the increase of freight on rail to be included and mooted how this can be increased.
- 6.21 The Chair stated that TfN needs to be conscious of the impact of the withdrawal of HS2 and the impact on freight, with "HS2a" he suggested was seen as better value for money.
- 6.22 The Deputy Chief Executive acknowledged the Committee's strong support for work on rural connectivity, as well as potential work on

spatial planning and integration with public transport. She noted the point around keeping track of the changing context in TfN's modelling work, and reflecting the feedback to the Board as to whether they wish more work to be done on making public private initiatives effective for future opportunities. She made it clear that all comments had been noted and would be captured in the Board report.

Resolved:

That the report and Members comments be noted.

7 Options Paper on Regional Fleet Procurement Support

- 7.1 Members received the report from the Head of Connected Mobility who provided an overview of the key points within his report.
- 7.2 Following the Head of Connected Mobility's presentation the Chair provided his thoughts. He explained that this is an important item as it helps with economies of scale particularly with the expense of electric vehicles, and will also allow for standardisation. He also spoke about maintaining the supply chain for maintenance and infrastructure. He said he believes that there is much merit in the proposals within the report, which will bring savings to local authorities.
- 7.3 Cllr Parish spoke about Warrington's purchase of 105 electric buses and stated that it has been a complicated process due to the bus company being owned by the local authority. He was unsure as to whether the problems would be ameliorated if TfN was to purchase the buses and then sell them on to constituent authorities. He also commented that the report needs to be clearer on the fact that it is referring to zero emission buses, as this was not obvious in the report.
- 7.4 Cllr Salter believes that options three and four in the report will provide more scope and give greater buying power to authorities as well as driving down costs. However, he expressed concern about the range of devolution deals across the North in that there are a number that do not yet have deals and asked what is being offered to those without a devolution deal.
- 7.5 In addressing the issue of support by existing experienced authorities, the Head of Connected Mobility stated that under the "light support" option TfN would seek to engage partners to share knowledge and experience.
- 7.6 The Chair added that by considering scale it will add certainty to the marketplace.
- 7.7 Cllr Firth enquired about the number of bus manufacturers in the country and the volume they are producing.
- 7.8 Cllr Parish informed the Committee that there are currently no UK manufacturers producing bus chassis.
- 7.9 He then enquired what will happen when the batteries need replacing after eight years.
- 7.10 The Head of Connected Mobility explained that a key area of focus is how the pipeline is identified strategically across the North and when fleets

- are ageing. He explained that the supply chain capacity is currently stretched; however, if TfN can provide details as to when fleets need to be renewed, this can allow for manufacturers to build capacity to deal with the demand.
- 7.11 Cllr Ferguson enquired as to what the ultimate objective of the exercise is and once this has been established how the right option can be chosen. He also enquired about timelines for the implementation of each of the options. He also asked if there is anything that can be done to support the smaller operators.
- 7.12 The Deputy Chief Executive explained that this is an opportunity for partnership working at a pan-Northern level, if partners wished to do so. She explained that the report is intended to gauge whether this is a topic Members would wish to work on together and to present some options around what is possible, from knowledge sharing to collaboration. Additionally, the broader reason returns to the Strategic Transport Plan, given one of the key points that emerged during consultation was local connectivity. She highlighted that the North's ambitions for decarbonisation and reducing transport related social exclusion, contribute to why the North is considering options for bus procurement. As TfN, Members have the powers to work together if they want to.
- 7.13 The Chair added that the whilst the ultimate ambition is how TfN implements the Strategic Transport Plan. there are additional-benefits to this such as decarbonisation.
- 7.14 Cllr Holland expressed his support for the next steps set out in section 5.2 of the report, i.e.: 'benchmark the ability of that manufacturing base to meet the demand of the North's bus reform.' He explained that it would be useful to know what national manufacturers can produce and what their plans are for the years to come, as this is especially useful for smaller authorities who lack the resource to find out this information themselves.
- 7.15 Cllr Perry asked if various sizes of buses are being considered including smaller one for rural communities.
- 7.16 In response, the Head of Connected Mobility explained that there will need to be a reflection of the physical geography on this.
- 7.17 Cllr Firth and Cllr Salter both raised the issue of hydrogen fueled buses with Cllr Salter asking that when the environmentally friendly options are being explored then this should be considered as well.
- 7.18 The Deputy Chief Executive explained that TfN has been leading a piece of work with Northern Gas Networks on a hydrogen refueller visualiser in order to understand where the opportunities might be to use hydrogen as a source for refueling for heavy good vehicles. She noted that the points raised by Cllr Frith and Cllr Salter would be points for her team to consider through TfN's business planning process over the autumn.
- 7.19 In summarising the Committee's views, the Chair stated that there is a limiter on the Grid and there is a supply chain issue regarding hydrogen.

He further stated that the Committee supports the report and sees this as an urgent matter.

Resolved:

That the report and Members' comments be noted.

8 Electric Vehicle Charging State of Play report

- 8.1 Members received the report from the Principal Planning and Strategy Officer who then highlighted the key points within the report.
- 8.2 Cllr Davison noted that the sale of electric vehicles is declining and mooted if this would continue when the tax regime changes. He expressed concern about the infrastructure and wondered if the report reflects the current situation; he challenged dates and targets and believes that they are unrealistic. He also raised the issue of terraced streets and where charging points could be situated.
- 8.3 Cllr Healy enquired as to whether the charging points are accessible to those with disabilities.
- 8.4 Cllr Ferguson asked about how the modelling is informing what TfN believes car usage will look like in future and how work around the infrastructure should be done so that it aligns with the broader aspirations of sustainable transport.
- 8.5 Cllr Holland commented on the time lag regarding the technology and the number of miles an electric vehicle can travel prior to needing to be recharged. He asked if this is impacting on investment and queried where the investment will come from.
- 8.6 Cllr Salter reminded the Committee of a Lancashire County Council Scheme on electric vehicle charging for terraced houses, which he had raised at a previous committee meeting and asked if anyone had contacted Lancashire to discuss this further.
- 8.7 He then expressed concern regarding the first of the draft recommendations in appendix 3 relating to second hand vehicles, believing that this could cause there to be multiple people wanting to buy the same cars leading to the increase in price and not necessarily increasing the number of useable electric vehicles. He stated that this may cost money without achieving anything positive and requested that that more analysis be undertaken before moving forward with it. In relation to the second recommendation, he asked for some more information about the misinformation that is in the public domain on electric vehicles.
- 8.8 Cllr Firth noted that technology is changing at pace and urged caution about investing in current day technology, due to how quickly new developments arise.
- 8.9 In addressing Cllr Salter's point around second hand cars, the Principal Planning and Strategy Officer explained that he expects to see the move to electric vehicles first and this will then drive the second-hand market costs down leading to more equitable access for users. On the "myth-busting" point he commented that more education from the

- manufacturing point of view is probably required, to the sales teams and through to the users ensuring that the public has the correct information when they purchase a car.
- 8.10 Addressing Members' comments on targets, he acknowledged that they are challenging but are in line with the Committee on Climate Change. Addressing Cllr Ferguson's question on targets he explained that all the electric vehicle outputs are provided across TfN's Future Travel Scenarios.
- 8.11 On the energy supply and terraced house points, he believes that this is the area where TfN can support with the evidence base that has been built. TfN is doing work in this area including with the energy suppliers and other partners to combine what our evidence indicates is needed for the region compared to the capacity on the Grid, allowing us to identify the constraints on the Grid across the North. Addressing the point on charging on terrace housing, he explained that TfN wants to ensure equality of opportunity and is making a policy recommendation that there should be a VAT reduction on public charging.
- 8.12 On the accessibility point he highlighted a recommendation of the report for PAS1899 to become legally binding.
- 8.13 Cllr O'Connor raised the issue that rapid public charging points are often powered by diesel, which defeats the purpose if the charging points for electric vehicles are being powered by non-renewable sources.
- 8.14 The Principal Planning and Strategy Officer referred to the recommendation on sustainability and Grid decarbonisation and agreed that the fuel needs to be coming from other renewable source for rapid charging.
- 8.15 Cllr Salter asked for recommendation two to be re-worded in order to focus on education.
- 8.16 In summarising the Committee's comments, the Chair asked for recommendation two to be amended to include education and remove the word "misinformation". He also asked that the recommendation relating to the powering of electric vehicle chargers be amended to reflect that all must be powered by renewable energy rather than it being an option to do so. Additionally, he requested that the situation be reviewed on annual basis to ensure that technological changes are kept up with. Finally, he requested that a monitor is kept on travel scenarios as a result of changes to the increase in house building.
- 8.17 The Deputy Chief Executive stated that the report is a point in time and the Monitoring and Evaluation Framework supporting the Strategic Transport Plan will help in doing this. She also emphasised the need for a 'just' transition to decarbonisation. She offered reassurance that the stocktake currently taking place on TfN's Regional Transport Decarbonisation Strategy will be looking at this matter in more detail. She also stated that a clearer rationale is needed to explain the increase in car usage compared to the Strategic Transport Plan 'right share' metric for car mileage.

Resolved:

- 1) That the Committee notes analysis of electric vehicle uptake and supporting charging infrastructure deployment progress against evidenced future need
- 2) That the Committee notes TfN's actions to support partners across the region, including new evidence capabilities available alongside ongoing partner support
- 3) That the Committee's comments on the State of Play policy recommendations and next steps to work with partners (nationally and across the North) be noted
- 4) That the Committee endorses TfN's Electric Vehicle State of Play report.

9 Date and Time of Next Meeting

21 November 2024 at 11am

This page is intentionally left blank

Meeting:	Transport for the North Scrutiny Committee Consultation Call
Subject:	Decarbonisation Strategy Stocktake and Action Plan Update
Author:	Peter Cole, Head of Decarbonisation
Sponsor:	Katie Day, Strategy Director and Deputy Chief Executive
Meeting Date:	Thursday, 21 November 2024

1.0 Purpose of the Report:

- 1.1 To provide an update on Transport for the North's ("TfN's") Decarbonisation Strategy stocktake exercise, including early findings and next steps.

2.0 Recommendations:

- 2.1 The Committee is asked to note the report, including the timescales for delivery, and provide any feedback on the early findings of the stocktake.

3.0 Context:

- 3.1 TfN's Regional Transport Decarbonisation Strategy, published in 2021, committed TfN to undertaking a stocktake exercise at each milestone along our Decarbonisation Trajectory, the first being in 2025.
- 3.2 The purpose of the stocktake is to monitor the North's progress in the decarbonisation of surface transport, allowing us to benchmark progress against the Decarbonisation Trajectory and adjust the focus or strengthen the recommended approach where needed.
- 3.3 The stocktake process is also driven by the need for TfN to revisit and align the pathway and policy recommendations with the strategic ambitions agreed in our Strategic Transport Plan ("STP"), published earlier this year.
- 3.4 Informed by the stocktake and ongoing engagement with MCA and LTA officers, we will also be seeking agreement to the actions TfN Executive will take to support the STP decarbonisation ambitions. This will detail the activities that TfN is proposing to undertake, subject to funding, in the period from 2025 to 2030. The action plan will provide a focused list of activities that support our partners and enable delivery.
- 3.5 The stocktake and action plan do not constitute a new strategy, as TfN's 'near zero by 2045' decarbonisation ambition is already reflected in the STP. This work will update the evidence base (the Decarbonisation Pathway) and set out our intended actions for the next five years. As such no public consultation is now proposed.

4.0 Early Findings

- 4.1 TfN's 2018 carbon baseline, used within the 2021 Regional Transport Decarbonisation Strategy, is being updated to 2023. Whilst the update is still ongoing, early findings indicate that the North has achieved transport related carbon reductions largely in line with our Decarbonisation Trajectory between 2018 and 2023.
- 4.2 These reductions have for the most part been due to traffic reductions experienced as a result of the Covid pandemic with 2023 traffic levels still below 2018 levels. The update also shows that some key transport decarbonisation policy lever ambitions, included within TfN's Decarbonisation Pathway, have progressed slower than anticipated. Most notably, this is around Zero Emission Vehicle ("ZEV") sales.

- 4.3 As part of the stocktake, we will advise Members if any adjustments are required to the level of commitment required as a region, against key transport decarbonisation policy levers. This will then be reflected in an updated Decarbonisation Pathway, upon which Members will have the opportunity to review and provide feedback.
- 4.4 Whilst the transition to ZEVs will continue to do the 'heavy lifting' in terms of absolute emissions, the lack of progress in this area means that managing both car and HGV mileage will now be essential. Through incorporating the STP's headline 'right share' metrics of no-net increase in regional car mileage, and a tripling of the share of freight carried by rail, early modelling suggests that the North could stay within its surface transport carbon budget. Importantly, it also aligns to the STP ambitions to reduce social exclusion, boost local economic growth, and ensuring there are better sustainable transport choices to encourage mode shift.

5.0 Next steps

- 5.1 We will present the stocktake and action plan to TfN Board for approval in June 2025, having provided updates and opportunities for feedback as necessary in March 2025.
- 5.2 An elongated programme is required to be able to incorporate two important inputs:
- Firstly, TfN's 2023 carbon footprint modelling and analysis: this re-timing to June has allowed TfN's in-house carbon modelling specialist resource to focus on the delivery of TfN's **Carbon Assessment Playbook (CAP)**. This is a 'policy builder' tool which allows every MCA/LTA to test the carbon reduction impacts of different local transport policies and interventions, within their Local Transport Plans, against their bespoke transport carbon baselines. The CAP is expected to be launched by early 2025.
- Secondly, our work to map the vulnerability of the North's strategic transport networks to climate change effects, the evidence from which will be important in informing the stocktake document. Subject to TfN's business planning, we would also like to provide local road vulnerability data to partners, under a number of climate scenarios, to aid local and national planning too.
- 5.3 Both the development of the CAP and the climate vulnerability workstream are examples of where we are using TfN's analytical and research expertise to deliver practical tools to aid partners with the development and implementation of their transport plans.

6.0 Corporate Considerations:

Financial and Resource Implications

- 6.1 There are no direct finance and resource implications as a result of this report.

Legal Implications

- 6.2 Any legal implications are contained within the body of this report.

Risk Management and Key Issues

- 6.3 A risk assessment is not required for this stage, however, a risk relating to progress against TfN's decarbonisation delivery has been identified on the TfN Functional Risk Register.

Environmental Implications

- 6.4 The stocktake exercise aligns TfN’s 2021 Regional Transport Decarbonisation Strategy with TfN’s STP as adopted in 2024, which was subject to a full ISA.
- 6.5 The stocktake document does not constitute a new strategy, plan or programme requiring an SEA under the Environmental Assessment of Plans and Programmes Regulations 2004.

Equality and Diversity

- 6.6 Transport decarbonisation policy measures can potentially lead to uneven distributional impacts. As part of this stocktake, we intend to consider the potential distributional impacts of key transport decarbonisation policies through an Equality Impact Assessment.

Consultations

- 6.7 The requirement to produce a stocktake of the North’s progress against the Decarbonisation Trajectory was laid out in the 2021 strategy and subject to a public consultation in Summer 2021. The North’s decarbonisation ambition is reflected in the STP, which was also subject to a statutory consultation in 2023.
- 6.8 The stocktake and action plan do not constitute a new strategy. TfN’s ‘near zero by 2045’ decarbonisation ambition, Decarbonisation Trajectory and cumulative carbon budget remain unchanged. As such, no further public consultation is required. Engagement with MCA/LTA partners has been undertaken throughout 2024.

7.0 Background Papers

- 7.1 No background papers.

8.0 Appendices

- 8.1 No appendices.

Glossary of terms, abbreviations and acronyms used

a)	MCA	Mayoral Combined Authority
b)	LTA	Local Transport Authority
c)	ZEV	Zero Emission Vehicle (including Electric Vehicles)
d)	HGV	Heavy Goods Vehicle
e)	STP	Strategic Transport Plan
f)	SEA	Strategic Environmental Assessment
g)	ISA	Integrated Sustainability Appraisal
h)	CAP	Carbon Assessment Playbook
i)		

This page is intentionally left blank

Quarterly Operating Report

July - September 2024



1 Chief Executive's Introduction

- 1.1 Following the General Election TfN has been in 'listening mode' over the period covered by this Report as the new Government set out its priorities. In particular, the Government's Missions bring a clarity and focus that we have used to assess how our work adds value to their delivery. This has shown that the outcome focused approach adopted in preparing the revised Strategic Transport Plan is consistent with the Government's Missions.
- 1.2 In parallel, engagement with TfN's constituent authorities has provided the opportunity for those authorities to give an initial steer on the way forward for TfN. With the Government committed to bring forward legislative change in several key areas of transport policy, the steer provided by the authorities has been that TfN should focus on those activities that are of pan-regional significance, are related to its analytical capability and support for partner authorities, and which supports partners with the acceleration of scheme delivery.
- 1.3 The insight gathered through both exercises is being used to shape TfN's Business Planning for 2025/26 following a discussion with the TfN Board at its September meeting. The TfN executive continues to work closely with the Department for Transport (DfT) regional sponsorship team throughout this period ahead of the October Budget Statement. The executive's work is guided by a set of reasonable planning assumptions on likely level of funding, assumptions which reflect the on-going pressure on public finances.
- 1.4 The period of reflection has identified the need to amend the Business Plan for 2024/25, and those changes are reflected in this Report. It has also identified activities that TfN has undertaken in the past which may not be appropriate moving forward. This too is being reflected in the business planning work for 2025/26.
- 1.5 The priority afforded by the TfN Board to making the rail network fully accessible continues to be a key focus for the Rail North Committee (RNC). Discussions at the Committee have focused on using the levers available to TfN (through the Rail North Agreement) to influence and shape both the train operators' annual business planning process, and the development of the next 10-year outline service specification for both Northern and TransPennine Trains (TPT).
- 1.6 The TfN executive has continued to be an active member of the East Coast Main Line Task Force, working closely with the constituent authorities most directly affected by the change to ensure that their concerns are taken fully into account. The added value that comes from having a mechanism that feeds the voice of the authorities directly into the work of the Task Force has been demonstrated on a consistent basis.
- 1.7 The work related to the East Coast Main Line has further emphasised the importance of a pan-regional overview given the multiple interdependencies across the North's rail system. In September the Rail North Committee welcomed the first overview – or 'state of play' – of all the rail investments (both infrastructure and rolling stock) and

associated timetable changes. Moving forward the overview will form the basis of further engagement with DfT and the wider rail sector.

- 1.8 Work has continued to roll out TfN's EV charging infrastructure (EVCI) framework more widely across the rest of England at the request of the DfT. Our work, alongside partners, was shortlisted at the Highways UK awards and we have used the working relationship established with the energy sector to feed into the development of proposals for Regional Energy Supply Planning.
- 1.9 Also nominated for an award was the Rail North Partnership (RNP) team – the team that works in support of both TfN and DfT to deliver Northern and TPT services. The nomination for an award as part of the Civil Service Awards comes in the wake of the RNP team continuing to deliver a high-level, quality technical and professional service on behalf of both partners.
- 1.10 This quarter's report also includes the mid-year update on our Treasury Management Strategy.

2 Progress against Business Plan Key Milestones

RAG Key:

R	Deferred progress
A	Delayed progress
G	On target

BP 1 Secure the agreement of the Board to submit statutory advice on the North's Bus Network – June 2024

A

- 2.1 With collaborative input from our partners, Department for Transport (DfT) and industry experts, we completed a draft set of bus policy recommendations in Spring 2024, ready to be presented at Board. Following the general election, the new government is proposing to deliver at pace legislative reform through the Better Buses Bill. As a result, our focus has shifted to informing this Bill rather than publishing a separate document.
- 2.2 We also continue to support our partners with the delivery of their Bus Service Improvement Plans (BSIPs) by developing and providing evidence and analysis to them (as part of the TfN offer) for their local plans and business cases. The Bus Analytics Tool will provide partners with reliability and accessibility metrics for the bus services in their area. While there have been some delays with the tool due to challenges around data assurance and resourcing, it should be available for partners to use by March 2025.
- 2.3 In addition, we have developed an online interactive 'beginner's guide to buses' course to be hosted by the Bus Centre of Excellence. This is aimed to support partner capacity and capabilities by providing a base

understanding of the industry across multiple topics such as operation models, stakeholders, accessibility, and the transition to net zero.

- 2.4 The next *Better Buses for the North* forum is scheduled for 6 November 2024. It will give partners an opportunity to feedback on business planning, share lessons learnt from their ongoing work, receive updates from DfT, including the Better Buses Bill, and hear from industry experts on existing tools and evidence to support Partner work, such as the new social value toolkit for buses.

BP 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

A

- 2.5 Following the announcement of the general election, we revisited our previous assumptions around the timeline for Rail Reform and have worked with partners to identify some key requirements that will shape our Rail Reform proposition. These requirements are being drafted into a narrative, which we will test with partners prior to further engagement. This will then form the basis of our engagement with the industry and DfT as consultation on the upcoming Rail Reform Bill in 2025.

BP 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

A

- 2.6 A framework for delivering the accessibility programme was approved at RNC on 3 September 2024 and supported by the TfN Board on 16 September 2024. It was agreed that TfN would write to the Secretary of State for Transport to request that funding for the 2024-29 period for the DfT’s “Access for All” programme should be devolved to the North using mechanisms contained in the Rail North Agreement. TfN is working with the operators via RNP to secure the inclusion of some “quick win” accessibility works in operator business plans.

- 2.7 The fourth meeting of the Rail North Partnership Accessibility Task and Finish Group was held on Wednesday 18 September 2024, where Members and Partners discussed methods for prioritising the location of investment in accessibility. A further update will be provided at November’s RNC.

BP 4 Secure the agreement of the Board to submit statutory advice to government on implementation of the Strategic Transport Plan (STP) - September 2024

A

- 2.8 Working is on-going into improving how the existing transport appraisal systems can better reflect the conditions in the North, with a focus on ensuring that social and environmental factors are given consideration.

- 2.9 The Northern Appraisal Playbook is due to be available to partners from November/December 2024 and will set out how to make the most of the flexibilities contained within the Green Book. This will draw upon

findings from a series of case studies – looking at existing scheme appraisals and how the case for investment could be strengthened.

- 2.10 The research will identify several additional areas that could be taken forward in 2025/26, such as whether a Northern measure of time should be considered. This further work would identify areas where we and partners could work collaboratively to strengthen investment cases for the North.

BP 5 With partners, identify proposals for investment in the Major Road Network for consideration by government – September 2024

A

- 2.11 The preliminary work on identifying potential Major Road Network (MRN) schemes is now complete. Proposed schemes include major maintenance and renewals, road safety, supporting a shift to alternative modes and road schemes facilitating new development and targeting congestion hotspots.
- 2.12 Work using TfN’s analytical framework to develop a ‘level of service’ analysis of the MRN has also been completed. This provides an evidence base to support consideration of investment priorities. All further work on an MRN scheme pipeline has now been paused until DfT provide further information and guidance on future funding for the MRN.

BP 6 Secure the agreement of the Board to publish an investment pipeline for the North that forms the basis of input into the next Government Spending Review – September 2024

A

- 2.13 Following the election of the new government and after taking soundings from partners, work on reviewing and assessing priorities for a long-term pipeline of pan-regional transport investment was paused whilst a steer is sought from the TfN Board.
- 2.14 TfN is in a strong position to develop a prioritised investment programme reflecting the STP and using our research base, evidence, and analytical capabilities. We will be guided by partners on when and how we make the case for strategic investment and influence national investment programmes and decisions.

BP 7 Deliver services commissioned by DfT in support of Northern Powerhouse Rail – Ongoing

G

- 2.15 TAME’s work programme on the Bradford station Strategic Outline Business Case continues, with four station options being appraised. The Analytical Framework is being utilised to provide a broad breadth of evidence in the Economic and Strategic Dimensions.
- 2.16 A major programme of Analytical Framework development continues, with a new Land Use and Transport Interaction model for the North and updating the base year of the Northern Transport Modelling system well underway.
- 2.17 The first phase of the Northern Behavioural Survey is completed, which aims to derive behavioural parameters for use in the rail demand

forecasting models. The parameters are expected to provide a more northern focussed set of behavioural responses.

BP 8 Secure the agreement of the Board to publish, for consultation, the draft update of the regional transport decarbonisation strategy – March 2025

A

2.18 Given the new Government's focus on delivery and following feedback from partners, this workstream will now take the form of a stocktake to update our baseline data. This will help us, and partners, understand progress thus far, and update evidence, including our decarbonisation pathway and policy recommendations, to support the STP ambitions for a fair and prosperous transition. The stocktake will also include an action plan for TfN Executive to support our partners deliver their priorities. This revised approach means our focus is on updating data and evidence underpinning the 2021 strategy, rather than doing a full refresh with associated consultation requirements.

2.19 Drafting of the stocktake has commenced along with partner engagement designed to optimise the value of the action plan. Work has also begun on updating the carbon baseline data, led by our TAME team. Currently, TAME resources have been prioritised into the production of the TfN Carbon Assessment Playbook, with the tool being of significant practical value to partners as they look to develop their Local Transport Plans (LTP) and understand the carbon reduction potential of transport measures, more widely. This new tool, expected to be available during the next quarter, will form part of the TfN Offer.

BP 9 Secure the agreement of the Board to submit statutory advice to delivery partners and regulatory bodies that will support delivery of investment in Electric Vehicle (EV)/alternative fuels infrastructure – March 2025

G

2.20 The EV State of Play report was approved by TfN Board in September and is being finalised for publication before December 2024. The EV State of Play report aims to:

- Review and evaluate progress of EV charging infrastructure deployment across the region against our forecasted requirements.
- Apply TfN's evidence, and consolidated views of regional partners, to highlight key policy recommendations which can further enhance the speed and effectiveness of the EV transition.

2.21 The EV State of Play recommendations will form a basis for continued work with our partners (nationally and across the North) to focus on what needs to happen to bring these actions into operation to address barriers for EV uptake and charging infrastructure deployment.

2.22 We have applied our EV Charging Infrastructure (EVCI) Framework evidence within the EV State of Play report and expect to launch new evidence capabilities before December 2024, again as part of the TfN Offer. The EVCI Framework is already being actively used by local authorities via TfN's regional EV forum, as well as by national agencies, energy partners and private sector investors alike to inform planning,

investment, and delivery actions. The EVCI Framework was shortlisted for the Collaborative Partnership Award at the 2024 Highways UK Excellence Awards.

BP 10 Continue to develop the 'TfN Offer' to partners across the North and nationally, including roll out of the Common Analytical Framework – Ongoing

G

- 2.23 Demand for the TfN Offer continues to grow, and its scope is constantly evolving as additional tools and capabilities are becoming available, as noted in this report. Within the first year of operation we supported over 70 requests, with a further 10 in progress and more than 100 requests have been received.
- 2.24 At the end of September 2024, we estimate that TfN has realised savings of at least c.£360k by undertaking technical/analytical work through the TfN Offer. Moreover, it is conservatively estimated that the tools and capabilities produced by TfN have an added value of c.£3m.
- 2.25 We will be implementing a monitoring and evaluation process to assess the effectiveness of the responses to the TfN Offer requests, as well as seeking ongoing feedback on how the Offer can evolve to support the needs of our partners.

BP 11 Continue the TfN research programme and thought leadership activity as part of maintaining the evidence base that underpins the work of TfN – Ongoing

G

- 2.26 Our research strategy set out our research priorities for the year, aligned to the STP objectives and helps us ensure the STP evidence base remains current and robust. We have undertaken a six-monthly review and can report good progress against planned activities for this year.
- 2.27 Specifically, we launched a new 'severance tool' in August 2024, which considers the impact on active travel due to major road and rail infrastructure. We are nearing completion of the review into our evidence base for Transport Related Social Exclusion, which will include an update to the existing tool to provide data at a more granular level for partners to use in their planning and decision making, where appropriate.
- 2.28 Our citizens' panel – Northern Transport Voices – took part in research on accessibility at rail stations. This survey received over 2,000 responses, and the findings, expected by the end of Q3, will be used to inform the work currently underway through the RNC. In addition to this, we have completed some research into perceptions of rail freight – to inform our evidence base on mode shift - and are considering how the panel could support work on road safety.

BP 12 Continue to make the case for investment by government in the North's priorities for the Strategic Road Network and Rail Network

G

- 2.29 We have developed initial priorities for a long-term pipeline of pan-regional transport investment, as noted above. We intend to consider the next steps for that work with partners over the coming weeks. In the meantime, we continue to assist, with evidence and advice, across a range of strategic road and rail matters to protect and enhance investment in the North's connectivity.

Rail North Partnership

Progress in this Quarter

- 2.30 RNP continues to be focused on the 2025/26 annual business planning round for Northern and TPT. This includes conversations with stakeholders across the North to ensure local transport plans are considered in the development of those train operating company (TOC) business plans.
- 2.31 We were delighted that RNP's work on business planning and engagement with stakeholders has been recognised nationally and was nominated in the Civil Service Award's partnership category. The winners will be announced at a ceremony at Lancaster House in London on 10 December 2024.
- 2.32 RNP has also launched our outline passenger service specification project to develop a 10-year specification for Northern and TPT, built around stakeholder strategic transport plans overlaying passenger demand and budgets. The base specification document will be completed by April 2025, with the final specification due to be completed in April 2026.
- 2.33 Within the TOCs, TPT continues to make good progress in its driver training which will enable three trains per hour across the TransPennine Route Upgrade (TRU) diversionary routes from May 2025. The procurement of new trains will also help to realise the benefits of the TRU programme (more frequent, more reliable, faster, greener trains).
- 2.34 Following the successful introduction of its West Coast Kitchen trolley and dining service, TPT began work to develop similar offerings on its other long-distance services.
- 2.35 Northern's new Yorkshire Dales Explorer service between Manchester and Ribbleshead has carried more than 1300 passengers since its introduction in June. The service has been nominated in the national Community Rail Awards.
- 2.36 RNP has issued Northern with a breach of contract notice in July, requiring it to produce a performance improvement plan. This was because Northern failed to meet its TOC on self-cancellation targets for three consecutive periods.
- 2.37 **Priorities for next Quarter**
- Continue to work with operators and stakeholders on Northern and TPT's business plans, Northern's performance improvement plan and Northern's passenger assistance improvement plan (required by the Office of Rail and Road).

- Continue to develop the outline passenger service specification project with a series of ongoing stakeholder conversations.
- TPT will continue to focus on procuring new trains and driver training for TRU.
- Services on the Northumberland line between Ashington and Newcastle will begin by December, with two trains per hour Monday to Saturday.
- RNP and our partners will develop the Yorkshire Dales Explorer offering, including working with bus operators to provide improved local bus connectivity to nearby attractions and with Yorkshire Dales National Park and local business groups on offers/discounts with local accommodation, food and drink and leisure providers.

3 People and Finance

3.1

TRANSPORT FOR THE NORTH				PERIOD	Q2	2024/25
FINANCE DASHBOARD				BUDGET CYCLE	BASE BUDGET	
YTD ACTUALS VERSUS BUDGET - BY ACTIVITY						
	Actuals	Budget	Var.	Var.		
	£m	£m	£m	%		
Hosted services						
DFT Analytical Support	£2.84	£2.90	£0.06	2%		
Rail North Partnership	£0.92	£0.94	£0.02	2%		
Operational areas	£3.76	£3.84	£0.08	2%		
Rail and Roads	£0.92	£1.10	£0.18	16%		
Comms, Legal, Analysis and Strategy	£1.84	£2.07	£0.24	11%		
Business support	£1.13	£1.12	-£0.01	-1%		
Total	£7.64	£8.13	£0.49	6%		
YTD OPERATIONAL & BUSINESS SUPPORT EXPENDITURE - BY COST TYPE						
Actuals	Actual	Budget	Var.	Var.		
	£m	£m	£m	%		
Staff	£2.83	£2.99	£0.16	5%		
Staff support	£0.12	£0.14	£0.01	10%		
Business infrastructure	£0.36	£0.34	-£0.02	-5%		
Professional services	£0.37	£0.62	£0.24	39%		
VAT	£0.20	£0.21	£0.01	3%		
Total	£3.88	£4.29	£0.41	9%		
YTD ACTUALS VERSUS BUDGET - BY FUND						
	Actuals	Budget	Var.	Var.		
	£m	£m	£m	%		
Hosted Services						
NPR Analytical Support Grant	£2.84	£2.90	£0.06	2%		
Rail North Grant & Contributions	£0.81	£0.83	£0.02	2%		
Trading Income	£0.12	£0.11	£0.00	-2%		
Operational Areas & Backoffi	£3.76	£3.84	£0.08	2%		
Core Grant (inc. reserves)	£3.73	£4.14	£0.40	10%		
Other	£0.15	£0.15	£0.00	3%		
Total	£3.88	£4.29	£0.41	9%		
Total	£7.64	£8.13	£0.49	6%		
HR DASHBOARD						
Establishment				HR KPI's - Year to Date		
Permanent/Fixed Term Posts	Permanent (< 2 Years)	Fixed-Term (< 2 Years)	Total Posts			
Hosted services						
DFT Analytical Support	26 (25.90 FTE)	-	26 (25.90 FTE)	Corporate Sickness Level: 4.0%		
Rail North Partnership	18 (18.00 FTE)	3 (3.00 FTE)	21 (21.00 FTE)	Employee Turnover: 9.2%		
Operational areas	44 (43.90 FTE)	3 (3.00 FTE)	47 (46.90 FTE)	% of Employees from an Ethnic Minority Background: 17.0%		
Rail and Roads	18 (17.86 FTE)	-	18 (17.86 FTE)	% Employees declaring a Disability: 19.0%		
Comms, Legal, Analysis and Strategy	35 (34.92 FTE)	2 (2.00 FTE)	37 (36.92 FTE)	Gender Mix - % of Female Employees: 40.0%		
Business support	16 (16.00 FTE)	-	16 (16.00 FTE)	Gender Mix - % of Male Employees: 60.0%		
Total Establishment	113 (112.48 FTE)	5 (5.00 FTE)	118 (117.48 FTE)			
Strength (In Post)	104 (103.48 FTE)	5 (5.00 FTE)	109 (108.48 FTE)			
Appointed (Start Date Pending)	-	-	-			
Pending/Active Recruitment	1 (1.00 FTE)	-	1 (1.00 FTE)			
Vacant - On-hold	8 (8.00 FTE)	-	8 (8.00 FTE)			

3.2 Year to date expenditure is £7.64m, £0.49m (6%) below base budget.

3.3 Staff costs are £0.2m lower than budgeted due to deferred recruitment, most notably the Rail and Roads Director role, which represents half the underspend.

3.4 Discretionary costs are £0.4m underspent. NPR TAME accounts for £0.1m with the remaining £0.3m in the operational areas, the majority due to delayed activity compared to the original budget phasing.

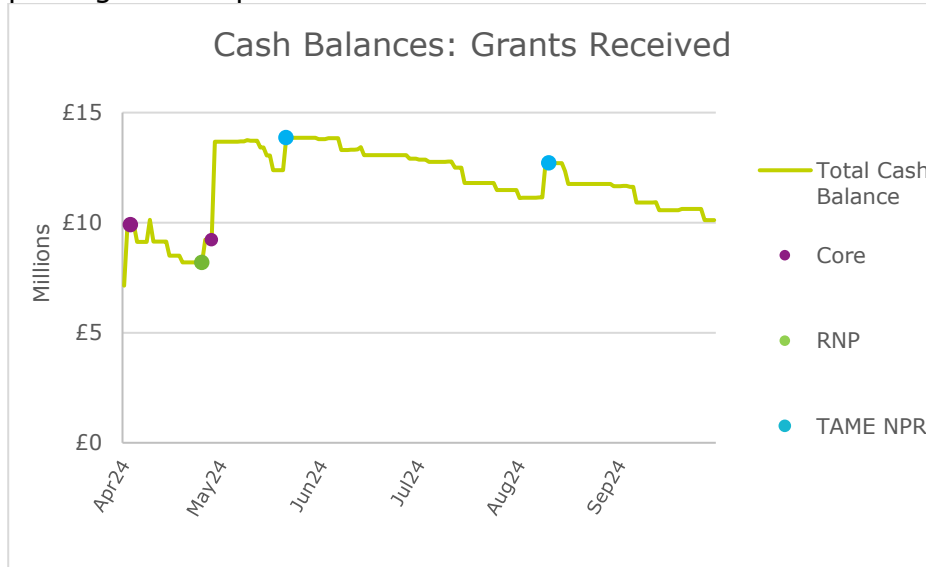
3.5 High priority activities emerging during the year are captured within the virement process. To date these have been delivered within the budget envelope due to budgeted activities being either deprioritised, delayed or delivered at a lower cost. To date, virements totalling £0.4 million have been approved, as detailed below, with funds redirected to support new initiatives aligned with corporate priorities. Part of the savings relate to activities no longer proceeding with work currently underway planning suitable alternatives.

This includes the TfN 2025 Annual Conference, which will be replaced by more targeted engagement activities over 2025.

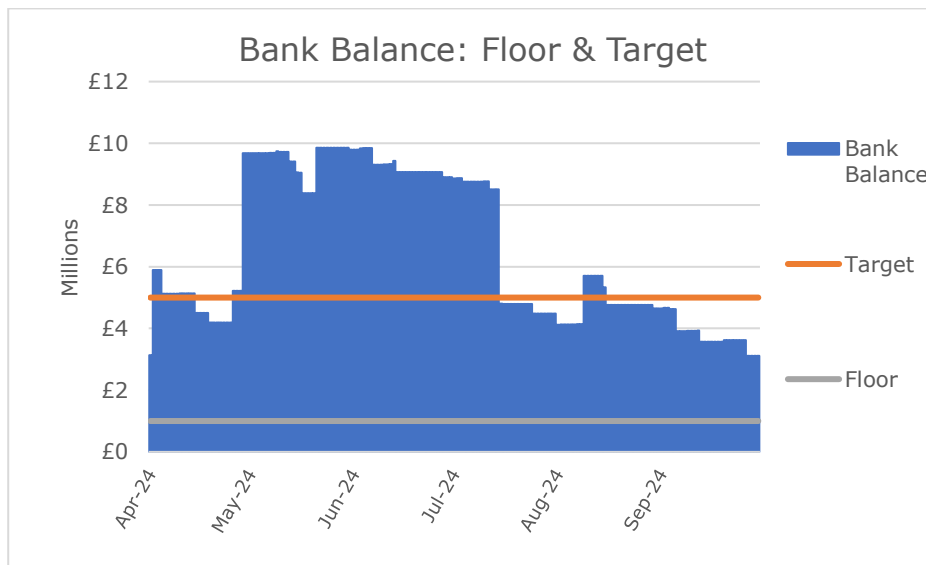
Mid-Year Treasury Management update

3.6 The TfN Constitution obliges officers to report to Board at the mid-year mark on performance against the Treasury Management Strategy. Unlike many partner bodies, we are prohibited from borrowing, therefore the strategy directs how we manage cash and investments. To date, we have operated within the parameters set out in our Treasury Management Strategy.

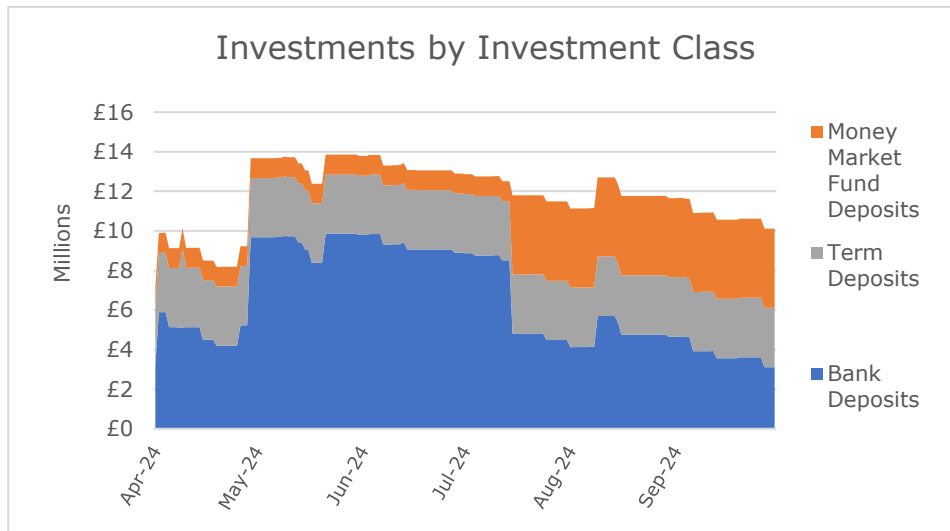
3.7 The following charts show performance against key parameters. It shows that TfN has managed cash and investments within its counterparty criteria, placing cash deposits with secure bodies and institutions on liquid terms.



3.8 The principal source of income is grant from DfT which is received periodically leading to the pattern of cash balances shown above i.e. a peak on receipt of grant followed by a gradual run down of balances until the next grant instalment is received.



3.9 We aim to ensure that an adequate but not excessive balance is maintained in the main business bank account. This gives us a target of holding between £1m and £5m. In full compliance with our Treasury Strategy, at times we have held a balance above £5m. Yields have further improved this year, with the interest return on our business account only slightly lower than the alternatives at a similar level of security.



- 3.10 During the year we have sustained a suitable balance in our main business bank account. In July 2024, to further divest our portfolio but remaining liquid, an additional £2m was invested in money market funds.
- 3.11 There is no intention to change the focus of our Treasury Management Strategy and its prioritisation on security and liquidity over yield.