

**Meeting:** Rail North Committee Consultation Call

**Subject:** Northern Trains Remedial and Mitigation Plan

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**Meeting Date:** Wednesday, 20 November 2024

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**1. Purpose of the Report:**

- 1.1 For the Rail North Committee (“the Committee”) to consider the Northern Trains (“Northern”) Remedial Plan which has been developed in response to the Breach Notice issued by the Rail North Partnership to Northern for unacceptable levels of performance in July 2024.
- 1.2 For the Committee to consider Northern’s Mitigation Plan which was developed to improve the customer experience during disruption, together with a resilience plan for the Christmas and New Year period in response to issues raised by members at an extraordinary Committee meeting on Wednesday 30 October 2024.

**2. Recommendations:**

- 2.1 It is recommended that the Committee:
  - a) reviews Northern’s Remedial and Mitigation Plans and considers whether any further actions or measures are required,
  - b) asks Northern to monitor and present back on a quarterly basis on the progress being made on performance, and actions in the Remedial and Mitigation Plans
  - c) requests that Northern works with Local Transport Authorities and TfN on local plans for restoring resilience and confidence in the passenger experience.

**3. Context**

- 3.1 Over the last few months, the performance of Northern has deteriorated significantly and to unacceptable levels. The Rail North Partnership (acting on behalf of TfN and the DfT) is taking action through the contractual route to restore performance.
- 3.2 The contractual breach performance level for ‘TOC on self’ cancellations (where the cause sits with the operator) is 7% of services, however for three operating periods between April to July 2024 (rail operating periods 2-4) it was above this level. This resulted in Northern being issued with a Formal Breach notice by Rail North Partnership (RNP) in July. The Breach Notice requires Northern to develop a formal remedial plan to address the poor performance within the control of Northern. Dialogue between the Rail North Partnership team and Northern has taken place regarding the content of the initial draft of the Remedial Plan, and a revised plan was submitted to RNP on 31 October: a summary is attached as Appendix 1 to this report.

- 3.3 Sundays have been a particular issue in the North West due to the long-standing issues of Sundays not being part of the working week. To try and provide some certainty to customers, Northern Trains has been pre-cancelling (p-coding) services ahead of each Sunday. This has resulted in 'Do Not Travel' notices being issued by Northern on a regular and significant number of occasions.
- 3.4 As previously reported, the root causes of the issues experienced by Northern are broadly in three categories:
- i. Significantly higher than pre-covid levels of operational staff sickness (nearly 80% higher than pre covid levels),
  - ii. High levels of outstanding training days for train crew, and
  - iii. Industrial Relations and Reform (including historic inconsistent contracts that means Sundays are not part of the working week for train crew in some depots in the West and Central region).
- 3.5 In terms of weekdays, the biggest short-term positive impact would be a restoration of Rest Day Working (RDW) for drivers.
- 3.6 Sundays are a separate, long-standing issue, the root cause being that not all staff have agreements which make Sundays a part of their week, due to historic practices inherited by Northern's predecessor. Where Sundays are not covered by an agreement, it means that working these days is effectively voluntary. Progress on standardising terms and conditions has been slow and requires a mandate from Government. Even with a mandate, it is likely to take some time to reach appropriate agreements and allow normal working. Although it is hoped to see an interim agreement in place with RMT on behalf of conductors to secure some improvement, in the meantime it is essential that Northern is proactive in managing the situation and providing customers with as much clarity and certainty as possible.
- 3.7 Historically the Christmas/New Year period has been challenging in terms of performance with a combination of more passengers (e.g. attending Christmas events), additional staff leave, and higher absence rates due to the season. Given the current position, it is important that Northern develops appropriate plans to mitigate this and works with partners to manage the impact of local events.

#### **4. Meeting Held on 30<sup>th</sup> October 2024**

- 4.1 The Committee held an extraordinary meeting on 30 October 2024 to discuss the unacceptable level of cancellations and the impacts these are having. Members concerns were compounded by the late notice given to passengers, short-formations and lack of alternative options. Tricia Williams (Northern Trains Managing Director) and Matt Rice (Northern Trains Chief Operating Officer) were present at the meeting.
- 4.2 At the meeting, the Committee agreed to write to the Chancellor, asking for her and the Government's urgent intervention in agreeing to give Northern two mandates: a mandate to discuss revised Rest Day Working rates and a mandate to unlock the issue where Sundays are voluntary for conductors. The letter is included in Appendix 2.
- 4.3 On 5 November 2024 it was confirmed that Northern had received a mandate for driver Rest Day Working from DfT and had reached agreement with ASLEF. The arrangement runs until December 2027 and should provide increased resilience. A verbal update will be provided on the mandate to unlock Sundays at the meeting on 20 November 2024.

- 4.4 The Committee tasked Northern with developing a Mitigation Plan to address areas discussed at the meeting, and to include:
- i. Longer advanced noticed of cancelled/p-coded services, including working with TfN's partner authorities to ensure that available resources are targeted to best effect with appropriate local input.
  - ii. Wider use of rail replacement bus services.
  - iii. Implementation of immediate blanket ticket acceptance where there are other operator alternatives to cancelled Northern services or alternative Northern routes.
  - iv. Discretion on the use of penalty fares in disrupted situations where passengers have purchased tickets to travel.
  - v. A specific resilience plan around Christmas and New Year developed with the input of TfN and local partners (including Mayoral Combined Authorities, Combined Authorities and County Councils).

4.5 A summary of the main elements of each plan is set out below and are included in the appendix to this report. Matt Rice (Northern Trains Chief Operating Officer) will be present at the meeting to provide more details and answer questions.

## **5. Remedial Plan**

5.1 The Remedial plan focuses on addressing 'TOC on self' performance (where the cause sits with the operator) which is in line with the Breach Notice issued by RNP. The Plan identifies three phases which will reduce cancellations to 2% of services and 90% of services arriving within 3 minutes of the published timetable (T3) by Quarter 3 (September – December) 2027. The phases are:

- i. Stabilising
  - a. Focus on fleet, traincrew deployment and strengthening resources in engineering, control, and operations.
  - b. Resolve industrial relations issues.
  - c. Data review and development of governance.
- ii. Re-setting
  - a. Review timetable options with stakeholders.
  - b. Overcome fleet challenges.
  - c. Establish operational excellence and develop a fit for purpose structure.
- iii. Performing
  - a. Implement organisational changes and embed new ways of working.

5.2 The TfN executive initial assessment of the plan is that it covers the root causes and goes some way to addressing the performance issues in the longer term and with ambitious targets. However, it is suggested that the Committee requests that Northern develops more specific milestones to allow progress to be monitored on a quarterly basis and reported back to this Committee

## **6. Mitigation Plan**

6.1 The Mitigation Plan has been developed by Northern to lessen the impact on passengers of the high number of cancelled services as outlined below.

- i. To provide longer notice to passengers of cancelled and p-coded services Northern has considered a number of factors that determine when they will have an accurate picture of train crew availability, especially on Sundays, and communications will go-live as soon as the routes affected are confirmed.

- ii. To provide the wider use of rail replacement bus services Northern has sought to maximise the availability of rail replacement buses, including the availability of standby buses and is speaking with local bus providers to understand availability of ticket acceptance to further support customers.
- iii. To implement blanket ticket acceptance, Northern will continue to contact the relevant train operators to request ticket acceptance on routes affected.
- iv. To implement discretion on the use of penalty fares in disrupted situations Northern have briefed the Revenue Protection Team to take a proportionate view when checking tickets.
- v. To have a specific resilience plan around Christmas and New Year Northern is using local insight, data and trends alongside assumptions on the December timetable changes and planned engineering works to understand the direct impact. The result is that there is a need to remove some services and Northern will engage with local authorities and reach out to customers to help them plan their travel.

6.2 The TfN executive's initial assessment of the plan is that particularly over the Christmas and New Year period a reduced timetable will be required to give a level of certainty to customers. It is clear that mitigation will continually need to evolve to ensure that the impacts of poor performance on customers is lessened until the remedial plan performance improvements are realised. TfN will work with Northern and Local Transport Authority partners on the ongoing mitigation.

## **7. Next Steps**

7.1 The following next Steps are proposed:

- i. Rail North Partnership will formally respond to Northern's Remedial Plan following the Committee meeting,
- ii. TfN will work with Northern on any further actions or measures that the Committee have raised at the meeting,
- iii. Northern will work with Local Transport Authorities and TfN on local plans for restoring resilience and confidence in the passenger experience.

## **8. Corporate Considerations**

### ***Financial Implications***

8.1 There are no financial implications to Transport for the North arising within this report.

### ***Resource Implications***

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

### ***Legal Implications***

8.3 Legal implications are included within this report.

### ***Risk Management and Key Issues***

8.4 There are no direct corporate risk implications as a result of this report however, Northern's failure to address this issue is undermining credibility in rail services, particularly at weekends, and is having a detrimental impact for people (being unsure whether or not to travel) and also having an impact on the economy.

### ***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.
- 8.6 Passenger rail and rail freight has an essential part to play in achieving our decarbonisation objectives within Transport for the North's Strategic Transport Plan, particularly around increasing the share of trips made by sustainable modes to 43% by 2030 and trebling rail's share of freight carried to 25.5% by 2050.

### ***Equality and Diversity***

- 8.7 Transport for the North has not undertaken an Equality Impact Assessment, however the Remedial and Mitigation Plan priorities outlined in this report have the potential to impact customers due to the impacts of poor performance and uncertainty it creates for people and places. Therefore, it is our view that Equality Impact Assessments should be undertaken by the Northern to ensure that they have both identified and addressed any equality and accessibility requirements, prior to implementing any actions/changes.

### ***Consultations***

- 8.8 Transport for the North Members are being consulted through this report.

### **9. Background Papers**

- 9.1 There are no background papers.

### **10. Appendices**

- 10.1 Appendix 1 Northern Remedial Plan.
- 10.2 Appendix 2 Rail North Committee letter 30 October 2024.
- 10.3 Appendix 3 Northern Mitigation Plan.

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

TfN	Transport for the North
RDW	Rest Day Working
RNP	Rail North Partnership
EIA	Environmental Impact assessment
DfT	Department for Transport
ASLEF	Associated Society of Locomotive Engineers and Firemen
TOC	Train Operating Company
SEA	Strategic Environmental Assessment
T3	Trains arriving within 3 minutes of the timetabled arrival time.