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<b>Meeting:</b>	Transport for the North Board
<b>Subject:</b>	Business Planning for 2025/26
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<b>Sponsor:</b>	Martin Tugwell, Chief Executive
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## **1. Purpose of the Report**

- 1.1 Following the Mayoral/local elections in May, and the General Election, the Transport for the North (TfN) executive has engaged with partners over the summer and early autumn to understand their priorities for TfN into 2025/26. This culminated in initial advice to the Board in September, where Members provided an initial steer on work for 2025/26. Building on that steer and the subsequent autumn Budget on 30 October, this report sets out our emerging plan for 2025/26 which will be considered by the Board in December 2024.

## **2. Recommendations**

- 2.1 It is recommended that the TfN Board considers the report and provides feedback on the emerging plan for 2025/26.

## **3. Context**

- 3.1 The establishment of TfN as a statutory body in 2018 saw powers and responsibilities devolved by Westminster from Whitehall to the North's leadership. TfN is an entity through which the North's Political leaders can choose to come together to secure the delivery of pan-regionally significant investment in a way that complements and supports the leadership of the MCA/LTAs within their communities. It is a body with an established governance framework and has an executive team that holds specialist technical capability upon which its member authorities, and other partners including government, can draw to supplement/support their own.
- 3.2 With the North's Strategic Transport Plan (STP) now provided as statutory advice to the Secretary of State on how pan-regional transport investment can enable sustainable, inclusive growth, TfN's attentions are on delivery. The Board acknowledged that delivery needed to focus on:
- Issues and investment proposals that are cross boundary.
  - Issues that are common to several of the constituent authorities and where there are efficiencies to be realised by working collaboratively.
  - Issues where there is a consensus amongst the constituent authorities there is added value from having a collective voice from the North.
- 3.3 The October Budget re-affirmed support for some key transport investments for the North, including the Trans-Pennine Route Upgrade (TRU) and continuing momentum on Northern Powerhouse Rail (NPR), as well as strategic road infrastructure like the A57 corridor. While we need to see the outcomes of the Spending Review in spring 2025, we've taken account of these commitments in determining our 2025/26 business planning priorities.
- 3.4 Equally, we have ensured current challenges – such as train operating company performance and accelerating delivery of improved accessibility at the North's rail stations – remain firmly at the forefront of our work in response to our Political Leaders' priorities and the Rail North Partnership. And, with the Department for

Transport (DfT) leading work on rail devolution/reform and 'better buses', our work on business priorities has been cognisant of the changed policy environment in which we are operating and, as such, sought to clarify where TfN can add most value.

- 3.5 This paper was considered by the Scrutiny Committee at its meeting on 21<sup>st</sup> November, and by the Executive Board at its meeting on 28<sup>th</sup> November. The Committee was content with the focus of TfN activities as set out. The Executive Board (which comprises senior officers from all TfN constituent authorities and is chaired by a partner authority) identified a small number of points, which are incorporated into this paper.

#### **4. Emerging 2025/26 plan**

- 4.1 The Board's feedback and partners have been clear: our focus must be on the pan-regional journeys, and those connections to/from the North, so we *facilitate the development and implementation of transport strategies in the North in order that there is enhanced economic growth in the area*. TfN has evolved and, in response to the changing political and policy context, is here to support MCAs/LTAs and enable delivery through partners. We will do that through:

- I. Providing strategic evidence and statutory advice to make the case for investment to deliver the North's STP
- II. Acting as a broker/convenor of partners to accelerate delivery of pan-regional significant and/or cross border schemes and policy priorities
- III. Providing technical support, through our specialist capability, analytical framework and tools, to our partners for local/national planning and business cases.

Appendix one provides a summary shared with the Board in September.

- 4.2 More specifically, the Board stated in September that the following is important:
- Place-based task forces to convene partners to address long-standing bottlenecks on the North's railway network, and/or unlock opportunities at pan-regionally significant hubs such as Crewe, Manchester, Liverpool, Leeds, Sheffield
  - Enabling the North's freight and logistics ambitions, especially in relation to growing rail freight and unlocking opportunities at our international gateways and east/west connectivity across the region
  - Keeping focused on the need for NPR as a "network in full", as developed by the TfN Board, to ensure we maintain a strategic view across the region.
  - Continuing work on the Northern Appraisal Playbook, ensuring the North uses the flexibilities already available within the Green Book to take account of the wider social and environmental benefits in securing investment – and continue to make the case for wider reform in appraisal and business cases where needed.
  - Taking a more proactive approach to enable MCAs/LTAs to access the tools, analysis and advice available via the TfN Offer
  - Championing rural connectivity and considering where additional effort, perhaps via a task force, might help deliver change (schemes/policy)
  - Regular reporting against the STP ambitions and strategic outcomes, and on how TfN is helping its members/partners to accelerate planning and delivery.

- Providing support to Northern partners, in the context of the emerging 'better buses' bill to enable knowledge/expertise sharing and, if needed, a strategic approach to facilitate cross-boundary collaboration.

4.3 In recognising the tight fiscal environment, we have assumed resources at a similar level for 2025/26 as we have this year and there will be a need for the TfN Board to make choices/trade-offs within that envelope. This will mean that some activities TfN have undertaken in the past may be deferred or discontinued.

4.4 In addition, we continue to challenge our internal processes and working arrangements to realise efficiencies. This will continue throughout the business planning process.

## **5. (i) Strategic evidence and statutory advice**

5.1 Given the context set out above, our emerging priorities under this theme are focused on supporting implementation of the STP, and specifically the commitments for advice to the Government on system reform and a pan-regional pipeline in support of our constituent authorities. The latter will form the basis of a TfN spending review submission in due course, and we expect to discuss further with the Board in December.

5.2 Our emerging plan for 2025/26 includes:

- Northern Appraisal Playbook – we'll undertake further work to help develop advice for our partners on how to improve business cases to unlock investment that can deliver sustainable, inclusive growth.
- Evidence base, monitoring and implementation – we will maintain the STP evidence base through our ongoing research programme and monitor performance against our ambitions so the North can readily identify areas for action/investment.
- Investment Pipeline – this will capture the pan-regionally significant corridors/schemes where Members may want to provide a collective voice, such as: NPR in full; an alternative to HS2 between Birmingham and Manchester; investment in major hubs such as Leeds, Manchester Piccadilly and Sheffield; additional improvements on ECML, including Newcastle, Northallerton and the Leamside line; better connections to Bradford, Scarborough, Hull and Manchester airport; as well as priorities for the Roads Investment Strategy such as the A66.
- Decarbonisation/System Resilience – we will complete our stocktake of the Regional Transport Decarbonisation Strategy, giving our partners the evidence and tools to deliver their plans. Further, we will continue work on the climate resilience of our strategic road and rail networks to provide evidence for investment on critical pan-regional routes giving growing vulnerability for climate change.
- Maintaining a strong focus on holding Northern and TPE to account for performance as part of the Rail North Partnership and through the Rail North Committee, as well as working with the DfT in shaping outline service specification for the next 10 years.

5.3 In supporting this focus, the Executive Board identified the role that TfN can, and should play, in 'joining up' thinking when it comes to investment that is delivered through nationally managed, mode-specific programmes. An example cited by the Board was the decision to drop an investment in improved road access to the Port of Liverpool which formed part of National Highways programme. In a world in which the focus is on delivery outcomes – in this instance improved access – the Executive Board suggested that there is a role for TfN in working with

partners to identify the best use of public funds available to nationally managed programmes.

- 5.4 The Executive Board also identified the importance of the investment pipeline to be cognisant of the importance of supporting nationally significant economic activities: the significance of economic activity in/around Barrow being cited as an example. Business voices on the TfN Board have previously highlighted the extent to which comparatively small-scale investment in some locations can have a disproportionately beneficial impact on the economy and surrounding communities.

## **6. (ii) Broker/convener to accelerate delivery**

6.1 TfN's ability to work across boundary and modes means we can support Political Leaders to bring partners together to tackle cross-border issues, from current performance to securing long-term investment. Our emerging plan for 2025/26 includes:

- For pan-regionally significant corridors/schemes (as identified in the investment pipeline, referenced above) provide direct assistance to enable delivery, drawing on TfN's specialist and technical resources to work with MCAs/LTAs and other partners.
- Linked to the point above, where needed, establish and facilitate place-based taskforces to address long-standing bottlenecks and opportunities across the North's rail network. We cannot within 2025/26 resources accommodate all requested task forces (please see below), so will seek a steer from Board on priorities.
- Working with the North's freight and logistics sector to bring partners and business together to make the case for our international gateways, and investment needed to unlock a greater share of freight by rail.
- Continue our work to accelerate delivery of rail station accessibility improvements, using TfN's role through the Rail North Partnership to work with the operators.
- Working with Political Leaders to determine the role of the North, as a collective, wishes to have in rail reform to complement greater devolution to city regions.

## **7. (iii) Technical support for planning and business cases**

7.1 The North's Political and Business leaders have invested in building significant technical and analytical capacity (including our TAME function) which is providing direct support, when requested, to our partners (both across the North and nationally).

7.2 The 'TfN offer' includes not only the functions we can provide as set out in (i) and (ii) above but also making available the TfN Analytical Framework and tools with our technical resource, where demand from our Northern partners and nationally continues to grow. Our focus is on making those publicly funded capabilities more widely available to deliver economies of scale and efficiencies across the North. This includes re-baselining the Analytical Framework to 2023 (from 2018), and, where we can, automating our tools so that partners can use them more readily for their work especially in a resource contained environment.

7.3 Over the next year, we will ensure we maximise the resources we have available to work with partners where they wish us to do. So, we intend to:

- Proactively reach out to partners to discuss their specific needs and how our resources can help – we expect to re-launch our 'TfN Offer' early in 2025 to

inform that engagement, which will capture the new and emerging capabilities that have developed in the last 12 months, and we can now make available to our partners

- Through TAME, provide the technical input to NPR – with the work commissioned from TfN by the DfT
- Evolve our decarbonisation and transport related social inclusion (TRSE)/severance tools to ensure they can deliver what MCAs/LTAs need for their local transport plans and business cases, without having to commission their own bespoke models.
- Upgrade our electric vehicle charging infrastructure tool to meet growing demands from partners, including implications for grid capacity – and alongside continue to convene Northern partners (public and private) to support implementation/delivery.

7.4 In developing this emerging plan, it is not possible to undertake all the work that partners may wish us to do with the resources we have. The plan is based on those areas where the Board has provided a clear steer, and where there is added value in the North working together (rather than being nationally led). With many MCAs/LTAs now refreshing their local transport plans, we have also acknowledged that TfN directing more of its technical resource to support that work will become increasingly important, as well supporting work to accelerate delivery of those schemes/corridors in the pan-regional investment pipeline (once agreed). With the STP adopted by the Board earlier this year our efforts have been on implementation, and less about policy development/strategies, which have characterised TfN work in the past.

7.5 The Executive Board had an extended discussion on the issue of rural connectivity. Whilst it was recognised that the needs of any rural community will be quite specific, there was a consensus amongst the officers on the Executive Board as to the added value of looking to TfN in its convening role to help make progress on this issue. In this, the Executive Board were mindful that TfN's work on Transport Related Social Exclusion, severance, and the Northern Appraisal Playbook may all be useful.

7.6 The priorities set out in the preceding paragraphs require TfN to defer/stop or de-scope the following aspects of our work over 2025/26, enabling resources to be re-directed to the priorities set out at 4.1 (i-iii.) Specifically:

- Fares and ticketing – city regions are already delivering integrated ticketing solutions, and while TfN can help broker between regions, ultimately (at least for rail), this work is being led nationally by shadow Great British Railways, although there may be scope to explore whether some early progress in this regard is possible in the North given the level of rail devolution that already exists and the role TfN has in relation to the Northern and TPE contracts.
- Developing new planning tools – we intend to focus on maintaining and evolving the tools we have, rather than developing new ones. Buses and fares are areas where we've been asked to develop new planning tools. We intend to make the 'minimum viable products' we are developing available but would not propose further work over the next 15 months.
- Connected Mobility – we intend to scale back activities in delivering the regional strategy, given this is predominately being led within city-regions or nationally (e.g. autonomous vehicles, digital roads)
- Active Travel – this is a local connectivity matter, and integration within city regions is already happening. Our TRSE/severance tools will continue to

provide evidence/analysis to inform local planning, but we do not intend to undertake further work in this area.

- 7.7 In addition, there are choices to be made about which pan-regionally significant schemes/corridors Members would like TfN resources allocated in support of over 2025/26.
- 7.8 We expect, through the technical work on NPR (for which we are commissioned and funded directly by the DfT), that any projects within that programme will benefit from the TAME resource available in line with national plans. This could include: Liverpool-Manchester, Leeds and Bradford, and integration with TRU.
- 7.9 Building on its discussion on the 'State of Play' overview of all rail investment proposed for the North, the Rail North Committee has asked the TfN executive to prioritise the work of a series of rail task forces. The order in which these task forces are established will in part need to reflect opportunities linked with other works. The RNC will consider this issue at its meeting on 20 November 2024.

## **8 Next Steps**

- 8.1 The work of TfN needs to evolve to reflect the Missions of the Government and the leadership role of MCAs and their elected Mayors. There is also a need to reflect that the Government has committed to bringing forward new legislation for rail reform and 'better buses'.
- 8.2 So, our themes for the business plan are based on what we know will be important for the next 15 months. But also, they show how we can build on the foundations and investment already made in TfN to ensure Political leaders have a resource to support their ambitions for the North as a whole, that supports collaborative work on issues of common cause, at scale when needed, and which tackle opportunities and challenges that cut across areas.
- 8.3 We are refreshing our communications and engagement strategy for the year ahead, to ensure it focuses more on our enabling and supporting role to MCAs/LTAs through more bespoke engagement. But also, how we can grow our business engagement, especially those transport providers like freight operators, ports and airports, to ensure those pan-regional and union connectivity investment priorities are shaped by the North's requirements to unlock sustainable, economic growth.
- 8.4 In addition, we intend to step up our engagement with communities and public-facing bodies, to bring an even greater diversity of perspective to our work, the evidence base underpinning the STP, as well as the statutory advice we give. This will be reflected in the refreshed communications and engagement strategy.
- 8.5 Within TfN, we are re-shaping how we work where needed, to ensure we are working as efficiently as possible. This includes reviewing how we engage with our stakeholders, and specifically MCA/LTA officer groups, to help make better use of partners' time and inputs.
- 8.6 TfN's Scrutiny Committee considered this report at its meeting on 21 November 2024. They were supportive of the direction, but wanted to re-iterate that TfN must be about the entire North working together including MCAs and LTAs. Moreover, that building public trust and confidence to use our public transport systems is of critical importance; so, a continued focus on the performance of current services is essential. They also noted that integration of sustainable transport into new housing/commercial/industrial developments – including distribution centres – should be central to planning.
- 8.7 Subject to Executive Board feedback, the emerging plan and recommendations for the pan-regional investment pipeline will be presented to the Board in

December. With their direction, we will then finalise the TfN Business Plan for 2025/26, our budget and resources – pending a confirmed allocation by the Department for Transport – and expect to bring that to the Board for approval in March 2025.

## **9. Corporate Considerations**

### ***Financial Implications***

- 9.1 This report does not include any financial implications. It is seeking a steer on TfN’s emerging plan for 2025/26. Following feedback, financial implications will be considered, and any choices put to the Board as necessary.

### ***Resource Implications***

- 9.2 As above.

### ***Legal Implications***

- 9.3 The emerging plan is deliverable in line with TfN’s Constitution.

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

- 9.4 We have identified a corporate risk regarding the future role of TfN should there be a change in government policy and/or partner commitment.

### ***Environmental Implications***

- 9.5 This report does not include any environmental implications. It is seeking a steer and feedback only at this stage. Following feedback, more detailed proposals and environmental implications will be considered.

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

- 9.6 As above.

### ***Consultations***

- 9.7 Where needed, we will understand engagement and consultation via TfN governance structures.

## **10. Background Papers**

- 10.1 n/a

## **11. Appendices**

- 11.1 Appendix 1 – TfN on a Page: Summary of role/focus

### **Glossary of terms, abbreviations and acronyms used**

- |            |  |
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| a) STP     | Strategic Transport Plan                               |
| b) MCA/LTA | Mayoral Combined Authority / Local Transport Authority |