

Transport for the North Board Minutes

**Thursday 14 January 2021
Virtual**

Present:

John Cridland (Chairman)

Attendee

Cllr Lynn Williams
Cllr Craig Browne
Cllr Gittins
Cllr Keith Little
Mayor Andy Burnham

Cllr Daren Hale
Michael Green
Mayor Steve Rotheram
Cllr Carl Marshall
Cllr Richard Hannigan
Mayor Dan Jarvis
Cllr Don Mackenzie
Cllr Heather Scott
Cllr Hans Mundry
Cllr Judith Blake
Cllr Andy D'Agorne

Local Authority

Blackpool;
Cheshire East;
Cheshire West & Chester;
Cumbria;
Greater Manchester Combined
Authority;
Hull;
Lancashire;
Liverpool City Region;
North East Combined Authority;
North Lincolnshire;
Sheffield City Region;
North Yorkshire;
Tees Valley;
Warrington;
West Yorkshire Combined Authority;
York;

Rail North Authorities Attendees

Councillor Chris Brewis
Councillor John Ogle
Councillor David Williams

Lincolnshire
Nottinghamshire
Staffordshire

Local Enterprise Partnership (LEP) Attendees

Roy Newton
Steve Curl
Kishor Tailor
Mark Rawstron
Mark Roberts
Lucy Winskell
Matthew Lamb
Peter Kennan

Cheshire & Warrington LEP
Cumbria LEP
Hull and Humber LEP
Lancashire LEP
Leeds LEP
North East LEP
North Yorkshire LEP
Sheffield City Region LEP

Partners in Attendance:

Jim O'Sullivan
Lorna Pimlott
Sir Peter Hendy
Nick Bisson
Ben Smith
Graham Botham

Highways England
HS2
Network Rail
DfT
Department for Transport
Network Rail

Officers in Attendance:

Name
Barry White
Gary Rich
Dawn Madin
Iain Craven
Julie Openshaw
Rosemary Lyon
Tim Foster
Jeremy Acklam
Peter Molyneux
Tim Wood
Deborah Dimock

Job Title
Chief Executive
Democratic Services Officer
Director of Capabilities
Finance Director
Head of Legal
Legal and Democratic Services Officer
Interim Policy & Strategy Director
IST Director
Major Roads Director
Northern Powerhouse Rail Director
Solicitor

Item No:

1. Welcome & Apologies

- 1.1 The Chairman welcomed Members and apologies were noted. The Chairman particularly welcomed to the meeting Jim O'Sullivan, who was attending his final Board meeting.
- 1.2 Mr. O'Sullivan stated that he has enjoyed working with the Board which has helped to shape the plans, proposals and projects that Highways England put into the Road Investment Strategy (RIS) 2. Mr. O'Sullivan introduced his successor Nick Harris who will be taking over on a temporary basis from the end of January.
- 1.3 Mr. Harris introduced himself and told the Board that he is looking forward to working with TfN.
- 1.4 The Chairman thanked Mr. O'Sullivan on behalf of the Board and wished him every success for the future.
- 1.5 The Chief Executive updated Members on the Innovation Partnership. Board was informed that following the IST Programme Board meeting the procurement for the Innovation Partnership has been cancelled due to the funding situation. He explained that TfN has written to all the bidders and they will also be notified via the Delta procurement system.

2. Declarations of Interest

- 2.1 There were no Declarations of Interest.

3. Minutes of the Previous Meeting

- 3.1 The minutes of the meeting of the Transport for the North Board held on 18 November 2020 were considered.

Resolved:

That the minutes of the Transport for the North Board held on 18 November 2020 be approved as a correct record.

4. Rail Needs Assessment

- 4.1 The report of the Interim Strategy and Programme Director was received by Members who then highlighted key areas of the report. He explained that the paper is TfN's assessment of the Rail Needs Assessment (RNA) which was published in mid-December by the National Infrastructure Commission (NIC). He further explained to Members that the assessment will feed into the Government's Integrated Rail Plan (IRP) which has been delayed and is now not due to be published until early 2021. He stated that there is now a small window of opportunity to influence Government policy.

He explained that the NIC was asked a question which did not consider the needs of rail for the next 25-30 years but rather what is able to be delivered against a fixed budget. He stated that none of the scenarios outlined in the assessment meet with the aspirations of the TfN Board nor the Government commitment to deliver HS2 and NPR in full. Members were informed that this is because the NIC has taken the rising costs and overspend on HS2 phase 1 as a given, and this has impacted on the available spend for the North and Midlands.

On the issue of the Northern pipeline the Interim Strategy and Programme Director was clear that an adaptive pipeline in which some decisions are made now and others later would be damaging to economic ambition and transformation.

- 4.2 The Chairman explained that the £24 billion that was anticipated for NPR in the 2018 assessment has shrunk on the baseline to approximately £5 billion due to the increases in costs of phase 1 of HS2. He explained that only with a 50% uplift would a transformational vision be close to being achieved. He stated that a meeting is being sought with the Secretary of State and a letter from the Chief Executive will also be sent following the meeting.

4.3 Cllr Brewis emphasised the importance of small and medium sized enterprises as the country comes out of the pandemic many of which are based in the North and the Midlands. He also highlighted the importance of adequate infrastructure for rail freight.

4.4 Mayor Jarvis stated that he hopes that the Government will reject the Rail Needs assessment which he believes is flawed, and investment in the North and the Midlands for future generations should not be based on it. He stated that the IRP will be the next big test of Government's levelling up programme to reviving the economies of the North.

He explained that the Rail Needs Assessment has lost sight of what the Government is looking to do and the issue of integration. He highlighted the priority to fix the decrepit local transport infrastructure in South Yorkshire and improve connections between South Yorkshire and the rest of the North and the Midlands. In order to do this delivery of NPR and HS2 in full is essential.

He stated that if the Government is serious about the levelling up agenda then it must demonstrate this with the publication of the Integrated Rail Plan.

4.5 Cllr Hale stated that for Hull, HS2 is seen as a means to an end in terms of getting the infrastructure uplift from Hull to the rest of the North. He explained that the proposals in the Rail Needs Assessment would jeopardise electrification from Hull to Leeds and mean no linkage to Sheffield.

Cllr Hale stated that there needs to be pushback against the proposals, and if there isn't, the public will have a negative view.

The Chairman stated that he believed that there may have been some challenges against some of the big capital investment proposals such as Leeds to Manchester, but the proposals in the assessment don't even give the continuous improvement upgrades that can be done from Leeds to Hull and Sheffield to Hull with significant benefit at modest cost.

4.6 Cllr Scott rejected the proposals and stated that North East has been completely excluded. She stated that there needs to be the same opportunity for levelling up in the North East as there is in other parts of the North.

4.7 Mayor Burnham endorsed the comments of other Members. He explained that he believed that this is worrying and needs to be viewed in the context of the budget for Transport for the North. He highlighted the fact that this appears to be the old framing of London and the South East first with other regions having to "scrimp and save".

Mayor Burnham provided his support for TfN. He explained that as a statutory body the Board should be providing statutory advice to the

Government and agreeing a process as to how it should be done with the advice then being published.

The Chairman outlined the steps that have already been undertaken. He explained that a meeting has already taken place with the Permanent Secretary where she was informed that the Board would be unlikely to accept the Assessment. He also explained that there was concern that the Board meeting would be too late to make representations to the Government on this, however assurances were received that this would not be the case. Members were informed that a letter would be sent to the Secretary of State requesting a meeting for a TfN Board delegation with the Minister.

- 4.8 Mayor Rotherham supported Mayor Burnham's suggestion and encouraged Members to make their own individual representations to Government.

He highlighted the fact that the schemes within the report appear to be pitted against each other. He stated that it should be an integrated assessment that should lead to efficiencies but this hasn't been taken into account. He further stated that none of the packages of schemes in the assessment align with the TfN Board preferred network or advice that has been provided to Government, with the baseline only providing a series of upgrades which aren't aligned to NPR.

Commenting on the situation in Liverpool he stated that baseline plus 50% would be the only option that would deliver a new line between Leeds and Liverpool.

- 4.9 Cllr Gittins stated that whatever is done in the North has an impact on the rest of the country including the unions with Wales and Scotland and the Government doesn't seem to understand this.
- 4.10 Cllr Mundry questioned the Government's levelling up agenda and whether this would be done properly and whether the needs of the North would be considered.
- 4.11 Mr. Mark Roberts highlighted the economic benefits to small business of full infrastructure investment allowing businesses across the north to easily connect with each other. He stated that commuting to London is something that he found to be accessible; however this was not the case when travelling across the North of the country. He stated that by joining up the North it would make these business more productive and provide considerable economic benefits.
- 4.12 Cllr Blake expressed her thanks to Officers for the response they have put together. She requested that the submission should include links to all the economic casework done particularly work around linkages to the East Midlands.

She stated that all of the East of the North has been let down by this assessment and suggested that repetition of the economic benefits may prove to be beneficial and strengthen the case that is being put forward.

Cllr Blake expressed her disappointment in the language of “either-or” which was used in the NIC report. She stated this isn’t about links to London, but rather about the whole connectivity around the North as well as going down to the East Midlands.

- 4.13 Mr. Mark Rawstron re-enforced Cllr Blake’s argument on the economic benefits and stated that the Transport for the North Board needs to be robust in arguing about the economic benefits to the North of an integrated transport system.
- 4.14 Peter Kennan stated that the NIC report needs to be side-lined and the plan outlined in the report put forward. He suggested that TfN should look to work with colleagues in the Midlands and HS2 East.
- 4.15 The Chief Executive outlined the way forward and stated that the latter part of the report will be turned into statutory advice to the Government. He also informed Members that he was trying to arrange a meeting for a delegation from the Board to meet with the Secretary of State as well.

The interim Strategy and Programme Director stated that sections four, five and six of the report capture the thoughts of Members and would be used as basis when writing the letter and providing statutory advice to the Government.

- 4.16 Members suggested circulating the letter to the leaders of the local authorities and local MPs as well as making it public.
- 4.17 The Chief Executive agreed to circulating the letter around to Members for comment although it was stated that the turnaround would need to be rapid in order that it could be sent to the Secretary of State as soon as possible.

Resolved:

- 1) That the report be noted;
- 2) That a letter be sent to the Secretary of State providing statutory advice on this matter and that this letter also be published;
- 3) That a meeting be arranged with the Secretary of State with a TfN Board delegation.

5. TransPennine Tunnel M6-A1 Corridor Statutory Advice

- 5.1 The report of the Major Roads Director was received by Members. The Chairman asked Board to consider recommendations for next steps and to consider viable options to improve connectivity in the M6 and A1 Corridors. He explained that the ambition for fully dualled new roads is not viable but there is still a need to improve road connections in both

corridors. He explained that the ambition is being lowered in order to develop more proportionate and environmentally sensitive options. Members were also informed that a letter has been received from the countryside charity CPRE on this matter.

- 5.2 Mayor Jarvis expressed support for the recommendations in the report. He stated the importance of improving road connectivity between Greater Manchester and South Yorkshire and the importance that this will have for the wider Northern economy. He further explained that by improving connectivity between the two it would also grow the use of Northern Ports as well as increasing resilience on the M62.

Mayor Jarvis encouraged the DfT to continue to work with Members and TfN in order to find a workable solution.

- 5.3 Cllr Green supported the recommendations, however he highlighted the need for more local improvements which need to be sponsored by TfN together with partners to secure improvements which are financially viable and environmentally better.
- 5.4 Mr. Kennan stated that improved and consistent journey times are required. He explained that it is not only the A628 where work needs to be undertaken but also the A57 Snake Pass and the A623. He highlighted that both roads are the responsibility of Derbyshire County Council and requested that TfN work closely with them look at what improvements can be made.
- 5.5 Cllr D'Agorne stated the need for equivalent investment in rail, and specifically investment in rail freight across the Pennines.
- 5.6 Cllr Mackenzie updated Members that North Yorkshire County Council had received planning approval for a diversion for the A59, to divert the road at Kex Gil. He stated that improvements will give greater resilience to the Road which is an important TransPennine route running from Mersydale through Lancashire and North Yorkshire and into York. He stressed the importance of smaller interventions in order to create a better TransPennine route via road.
- 5.7 The Major Roads Director stated that they would be addressing the points that CPRE have made and this will be included in the scope of the next piece of work, as well as being addressed in the Investment Programme benefits analysis work and will be covered in the Decarbonisation Strategy.

Resolved:

- 1) That the report be noted
- 2) That a letter providing statutory advice be sent to the Secretary of State setting out the recommended next steps detailed in section 4 of the report.

6. Any Business Which the Chair is Satisfied is Urgent

6a. Funding and Business Planning

- 6.1 The report of the Finance Director was received by Members. He stated that the report highlights some of the key impacts that the funding cuts could have on TfN, subject to decisions that will be made over the coming weeks. This includes; cuts to funding of the statutory functions of TfN and the cancellation of the IST programme.

The Finance Director particularly highlighted the impact of the cancellation of the IST programme, explaining that the cancellation would forestall the proposed roll out of pay as you go on buses, trams and trains which may have an impact on public transport usage as we emerge from the pandemic. He further explained that there may also be a consequential impact on public transport usage going into the future, with downstream consequences for the decarbonisation agenda.

The Finance Director requested direction from the Board to provide a framework for the work that needs to be undertaken in the coming weeks. He explained that Officers are continuing to engage with Department in order to optimise the funding available.

He explained that the Comprehensive Spending Review submission drew attention to the fact that the TfN Core Grant was being used to support programmes, which is no longer sustainable. Members were informed that Officers are working with Departmental officials to try and free up approximately £2 million of core funding that could then be used to deliver statutory functions. He explained that this has been agreed in principle.

- 6.2 Mayor Jarvis supported the report of the Finance Director. He explained that the funding settlement was inconsistent with the Government's stated commitment to levelling-up. He further stated that the cancellation of the IST programme would have a direct impact on South Yorkshire at a time when investment in public transport is most needed and informed the meeting that he would be making representations to Government urging them to reconsider.
- 6.3 On the issue of the cancellation of the IST Programme Mayor Rotherham noted that this would directly impact the Liverpool City Region. He informed the meeting that LCR had spent millions on integrated smart ticketing with the intention of recouping some of the costs back from TfN, this is now no longer possible and savings will have to be found elsewhere. He made clear that not only would this have an impact on TfN but it would also have an impact on constituent authorities.
- 6.4 Cllr Gittins supported the recommendations in the report. She stated that she would raise this issue at a forthcoming Growth 365 track

meeting and ask them to lobby on behalf of TfN as the funding cut will impact on some of their ambitions.

- 6.5 Mayor Burnham stated that this is the time for Government to be strengthening TfN. He stated that this felt more than just an efficiencies exercise and believed that it is bringing into question the role of TfN. He explained that when everything is taken into account it appears that the actions of Government is leading to a levelling-down.

Mayor Burnham suggested that reference to this needed to be made in the Statutory Advice letter on the Rail Needs Assessment as it is going directly against what is needed to get the right Northern Powerhouse Rail project for the North of England.

- 6.6 Cllr Little asked if any other Statutory Transport Boards had suffered the same level of cuts as TfN. The finance Director stated that as far as he was aware none of the other STBs have as yet received their funding allocations.

- 6.7 Mr. Ben Smith provided a departmental viewpoint on this issue. In relation to the Smart ticketing Mr. Smith explained that there was work ongoing within DfT on a national way forward. He explained that in a meeting with the Permanent Secretary and the Chief Executive it was agreed that work would continue with TfN to see where there can be joined up work on this.

On the issue of wider core funding Mr. Smith reiterated that Ministers are keen that TfN continue to deliver on their core objectives. He informed Members that where costs are being incurred on specific programmes, such as NPR and the RNP, then these should be re-charged back to those programmes and that they are happy to work with the Finance Director to ensure that this happens.

The Chairman asked that Mr. Smith take back the strength of feeling of Members in the meeting and stressed that this will be followed up with a letter to the Secretary of State. He requested that the issues raised by Members on Smart Ticketing also be taken back, he explained that the submission in the Comprehensive Spending Review on this focused on leveraging funding to be spent at a City Region level and the cancellation has damaged individual programmes. The Chairman requested that the DfT in their work on IST recognise that work in the North is being done at City Region Level.

- 6.8 Mayor Burnham clarified for Members that the Northern Transport Acceleration Council (NTAC) is a very different to Transport for the North where Members are able to bring a variety of issues to the attention of the Secretary of State, whilst TfN is a strategic body trying to create an integrated transport network for the North.

He expressed concern at recent developments, particularly around the budget and that in his opinion it appears that TfN is being put on a path towards being disbanded. He gave his support for TfN and stated that he would defend it as it is the only body that is about Northern devolution as well as playing a key role in the 2018 timetable chaos and has advanced the agenda in numerous ways. He further stated that it appears that levelling up is being decided in a top down manner by the Government with them making decisions about what is good enough for the North.

Resolved:

- 1) That TfN officers continue discussions with DfT to achieve the greatest clarity on next year's funding.
- 2) That the Board approve the headline objectives (paragraphs 3.6 –3.10) and key themes (3.11 – 3.19) for 2021/2 and officers report back with recommendations at the February Board.
- 3) That Transport for the North progresses with its business planning and budgeting on the basis set out in the report
- 4) That a response letter, based on the key matters set out in Paragraph 3.22, be sent to the Secretary of State following the Board and that a meeting is sought with him as a matter of urgency in the w/c 18 January 2021.
- 5) That Board establishes a Member Working Group as set out in paragraph 3.26.

6b. Recruitment of TfN Chief Executive

6.9 The report of the Director of Business Capabilities was received by Members. Members were taken through each recommendation in the report in order to receive approval for the way forward in the recruitment process. Before doing this the Director of Business Capabilities informed Members that the report had been signed off by the Monitoring Officer and is aligned to the Constitution and that final approval of the appointment of the new Chief Executive will be brought to the Board.

6.10 The first issue presented to Board was whether the appointment should be permanent or interim.

Following Members comments they were unanimous that TfN should look to appoint a permanent Chief Executive. Members believed this was the best way forward and shows the ambition of the organisation.

6.11 Members were then asked to note the constitutional provisions and the Director of Business Capabilities stated that she hoped that she had provided Members reassurance on this matter.

6.12 Members were then were asked to approve revisions to the role of the Chief Executive. She explained that the Job Description has been updated and now aligns with the constitution and a net zero

environmental task has also been included. She further explained that the finance section of the Job Description is not yet complete due to ongoing discussions on this matter.

Members were happy to approve the role profile.

- 6.13 Members approved the remaining recommendations in paragraph 5.3 of the report.

Resolved:

- 1) That the report be noted
- 2) That Board approval was given to all the recommendations outlined in the report.

7. Exclusion of Press and Public

Resolved: That the public be excluded from the meeting during consideration of Items [8,9 & 10] on the grounds that

- (1) It is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during such item(s), confidential information as defined in S100A(2) of the Local Government Act 1972 (as amended) would be disclosed to them in breach of the obligation of confidence; and/or
- (2) it / they involve(s) the likely disclosure of exempt information as set out in the Paragraphs [where necessary listed below] of Schedule 12A of the Local Government Act 1972 (as amended) and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

8. Part 2 Minutes of the Previous Meeting

- 8.1 The private minutes of the meeting of the Transport for the North Board held on 18 November 2020 were considered.

Resolved:

That the private minutes of the Transport for the North Board held on 18 November 2020 be approved as a correct record.

9. Northern Powerhouse Rail Delivery Model

- 9.1 The report was received by Members and they were invited to ask questions and make comments.

Resolved:

- 1) That the report from the NPR Director be noted.
- 2) That the discussed recommendations be agreed.

10. Northern Powerhouse Rail Strategic Outline Case Version 3 Update

10.1 The report was received by Members and they were invited to ask questions and make comments.

Resolved:

That the report from the NPR Director be noted.