

# Transport for the North Scrutiny Committee

**Subject:** 2021/22 Funding Update & Draft Business Planning

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**Sponsor:** Barry White, Chief Executive

**Meeting Date:** Thursday 4 March 2021

## 1. Executive Summary:

- 1.1 Transport for the North ("TfN") produces an annual Business Plan which sets out its objectives for the coming year and how they will be delivered. This plan then provides the basis for the TfN budget. The Business Plan and Budget will be presented to the TfN Board on 24 March for approval.
- 1.2 An earlier version of this report was presented to TfN Board on 18 February and the recommendations set out in paragraph 1.9 were approved. This is the first Scrutiny Committee meeting since TfN received its funding allocation letter on 4 January. The Committee's views are therefore sought on the business planning proposals set out in this report.
- 1.3 As reported to the TfN Board on 14 January, TfN received a letter from the Department for Transport ("DfT") on 4 January that set out a reduced envelope for 2021/22 in comparison to TfN's CSR submission, which included a significant cut to the current Core funding allocation and a cessation of funding for the IST programme. The timing and content of this letter mean that TfN is now undertaking a substantial revision of the planning that it had undertaken to date, to a tight timescale.
- 1.4 Further to the discussion in the 14 January Board, TfN has now agreed with DfT that it be given the flexibility to charge £2.5m of direct and allocated costs that were previously resourced from Core funding into the NPR programme, reducing the pressure on Core budgets. It is further proposed that c.£2m is released from TfN's reserves to support in-year activity in 2021/22 - £1m to cover one-off work on the Investment Programme Benefits Appraisal and a further £1m to support in year costs. Such an approach would allow TfN to deliver the programme set out in this report, whilst at the same time retaining sufficient reserves to manage a number of fundamental uncertainties. In addition, the in-year funding cut of £3m announced in January

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means that TfN will need to use c.£1m of reserves in 2020/21 to support Core operations.

- 1.5 The planning for the Northern Powerhouse Rail Programme will reflect both the funding envelope provided by DfT and its role as co-client on the programme. The intention is to continue to develop business cases in line with the SOC recommendations, although this is subject to the content of the Integrated Rail Plan.
- 1.6 The 18 February TfN Board received and approved a report setting out how TfN would complete outstanding work on Phases 1 and 2 and then wind down the programme. The funding arrangements to cover the wind down costs have been discussed and agreed with the department. Consideration is currently being given to how and to what extent TfN is able to retain Core funded IST capability to support its Smart Travel objectives and those of its Constituent Authorities.
- 1.7 The key operational activities were agreed with the Board in January and we have held further discussions with the member working group on the priority areas for TfN, these include:
- Strategic Transport Plan development, and underpinning policy development activity (e.g., Freight and Decarbonisation)
  - Investment Programme Benefits Analysis
  - Northern Transport Charter activities
  - Rail priorities (services and infrastructure)

These activities are further described in Section 4 of this report.

- 1.8 Delivery of the core TfN programme requires a significant scaling back of plans compared with the CSR submission, careful prioritisation of activity and a more efficient use of existing TfN assets. This will mean activity stopping or not progressing some planned areas of work; finding more efficient and lower cost ways of working and delivery; and actively managing budgets in year.
- 1.9 The following recommendations were approved by TfN Board on 18 February:
1. That the TfN Board approve the funding envelope set out in paragraphs 3.4 – 3.9, and in particular the proposed use of reserves.
  2. That the Board notes and approves the use of reserves as noted in paragraph 3.2.
  3. That the Board agrees the priorities and emerging proposals for the core operational teams, NPR and IST set out in Section 4, noting the feedback from the Member Working Group.

4. That the Board notes the steps required in Section 5 to conclude business planning activity in time to agree the business plan at the meeting of the March TfN Board.
5. That, subject to appropriate break clauses being agreed, TfN confirms the IPBA support contract to allow the mobilisation of resources prior to the start of the new financial year.

## 2. Issue:

- 2.1 This report provides an update on the 2021/22 business planning and budgeting process. There will be an opportunity to discuss the key areas for consideration at the 4 March Scrutiny Committee meeting.

## 3. Funding:

- 3.1 On 4 January TfN received a funding letter from DfT. The funding included in that letter, and a comparison to both the CSR Submission, and the funding allocation for 2020/21 is set out in the following table.

<b>TfN 2021/22 Funding Allocation</b>	<b>21/22 £'m</b>	<b>CSR Ask £'m</b>	<b>20/21 £'m</b>
Core Funding	6.0 <sup>1</sup>	11.2	10.0 <sup>2</sup>
IST <sup>3</sup>	-	33.4	15.8
NPR <sup>4</sup>	75.0	111.3	75.0
Developing an Investment Pipeline <sup>5</sup>	-	2.0	-

1. TfN's Core funding allocation for 2021/22 will be £6m. This is a £4m reduction on the current allocation (set in 2015) and a £5.2m reduction in the Core funding requested in the CSR.
2. The balance of TfN's Core funding for 2020/21 will be reduced from £5m to £2m. This reduces the full year allocation to £7m rather than the £10m that was originally allocated.
3. Funding for the IST programme will cease, subject to completing and winding down committed activity.
4. The overall NPR allocation will be £75m, of which c.£8m will be utilised by HS2. The balance will be available for draw down by TfN, subject to the normal departmental control of detailed commitments, and will also be subject to the outcome of the Integrated Rail Plan (IRP). The discussions with the department regarding the commitment of funding for the business plan are currently ongoing.

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5. No funding was received in relation to the CSR request regarding the Development of an Infrastructure Pipeline.
  6. The Rail North Partnership Grant will remain at £0.7m, subject to indexation and the need for any additional posts as identified by the Department. TfN will also receive c.£0.6m of Rail Administration Grant to help resource Strategic Rail activity.
- 3.2 The in-year cut of £3m means that the £7m of Core grant that TfN will receive in 2020/21 will be insufficient to meet its Core expenditure for the year, 5/6<sup>ths</sup> of which has already been incurred. This means that c.£1.0m of reserves will need to be released to allow TfN to manage through to the end of the financial year. This will leave forecast year-end reserves at c.£5.5m. Further information regarding the reserve position is set out below.
  - 3.3 Subsequent to the 14 January Board, further discussions have been held with Departmental officials. This has not resulted in any change to the previously reported IST position.
  - 3.4 However, TfN has reached agreement with DfT to resource a range of costs that arise from programme activity, but which are currently Core funded, against programme budgets. This will relieve c.£2.5m of cost pressure in relation to Core funded costs, essentially reducing the impact of the reduction in Core expenditure from a cut of £4.0m to a cut of £1.5m.
  - 3.5 In setting a budget envelope to inform the business planning process, we have aimed to maximise the resources available to deliver TfN's aspirations, whilst recognising the continued uncertainties faced by TfN and the potential financial challenges that arise from those uncertainties. Paragraphs 3.5-3.8 set out the proposed approach to the use of TfN's reserves that was tested in the Member Working Group meetings.
  - 3.6 TfN has previously set out its Reserves Strategy in its annual budget reports. In the absence of revenue raising powers or, since 2018/19, a multi-year funding horizon, TfN has tried to manage its Medium-Term Financial Strategy (MFTS) through its reserves. The current minimum reserve is set at £2.0m. During 2020/21 the Covid pandemic, displacement of activity as a result of prioritising NPR support and cost control measures put in place to address funding uncertainty meant that instead of declining by c.£1.5m to £5.0m as originally budgeted, TfN's forecast year-end Core Grant reserves increased by £2.0m to £8.5m, before subsequently falling back to £5.5m as a result of the £3m in-year funding reduction.
  - 3.7 TfN is therefore faced with a significant quantum of activity that has had to be reprogrammed from 2020/21 into future years, principally in relation to the Investment Programme Benefits Appraisal work that was delayed in Q1 of 2020/21 to allow focus on modelling for the NPR

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Programme. It is intended that c£1.0m of the retained reserves is released to support the IPBA activity.

- 3.8 In addition, it is proposed that another c.£1.0m of reserves is released to support the delivery of TfN's Core activity and address transition costs. This would still leave a reserve of at least £3.5m at the end of 2021/22, by which time TfN should be able to reassess its reserves strategy in light of longer-term certainty as to its funding and role. This reserve would remain significantly in excess of the minimum set out in the Reserves Strategy, although we may consider increasing the recommended minimum in light of the ongoing uncertainty that currently exists.
- 3.9 At the same time, the uncertainty created by the funding cuts and the ongoing impact of lockdown continue to impact upon TfN's month-on-month expenditure. To the extent that specific items can be identified as having to be carried over the financial year-end into 2021/22 TfN will use the associated savings to support this work being carried out next year. At the 18 February Board meeting this was verbally reported by TfN's Finance Director to be of the order of £0.6m, and this carry forward was included in the approved budget envelope.
- 3.10 This approach would allow TfN to set a budget envelope that allows it to deliver the activity set out in Section 4. TfN will seek to achieve a balance between efficiency, effectiveness, and sustainability in the decisions that it makes in relation to delivering activity, with the overarching objective of delivering Value for Money.

Based upon the departmental funding letter, overall TfN funding available for expenditure in 2021/22 will be as follows:

- £6.0m Core funding;
- Up to £67.0m Transport Development Funding for NPR – TfN is still in discussion with the DfT regarding the activity and resultant expenditure levels that will be funded;
- IST Programme Grant – sufficient to complete Phases 1 & 2 and to winddown the programme;
- c.£1.3m Rail North Partnership and Rail Administration Grant plus additional grants to deliver Blake Jones that are still being discussed with the DfT;
- £0.4m from partner organisations for delivery of rail activity on a contracted basis;
- £0.1m rail contributions from partners; and
- Circa £2.6m of releases from Reserves to support Core expenditure.

- 3.11 TfN will provide a balanced budget, derived from the business planning process, to the 24 March Board, based on a Core budget envelope of £8.6m (i.e. the Core allocation of £6.0m and the proposed reserve releases of £2.6m).
- 3.12 It should be noted that the current in-year run rate is substantially lower than the detailed analysis provided in the August CSR submission. In particular, TfN has c.30 vacant posts against its current establishment, which is a direct result of the uncertainty over future funding and TfN's role. Consultants and temporary staff are providing cover for a significant number of these roles (particularly across our NPR and TAME teams), but a more stable environment is needed to allow proper long-term resource planning and resourcing solutions to be adopted. This cost challenge, based on a reduction from the current run rate, does not therefore fully reflect the operational challenge of delivering across the full range of member aspirations.
- 3.13 This outline funding position forms the basis of the business planning activity that is set out in Section 4. In parallel with the re-planning exercise that is being undertaken, operational teams funded through the Core allocation have been set an efficiency challenge of 10% (set prior to the exact level of programme recharges being agreed) based on the considerations set out above. Likewise, whilst support teams will undertake their final planning exercise once the operational and programme plans have been completed, they have been set a 10% efficiency target based on activity identified as discretionary during the planning that was conducted in the autumn.
- 3.14 Taking this into account, TfN is now faced with an effective cut in its Core funding of 15% on the previous year and 25% in relation to its CSR submission. As set out in Section 3, this translates into a savings target of 10% based on current 'run rates' against which business planning proposals will be considered.

#### **4. Business Planning**

- 4.1 Transport for the North initiated its 2021/22 business planning in October 2020. Consistent with previous years, an exercise has been undertaken which identified TfN's key strategic priorities and identified a common 'golden thread' from strategy to delivery that informs planning activity throughout the process. These priorities are derived from the Northern Transport Charter and were endorsed by the TfN Board on 14 January.
- 4.2 Transport for the North officers refreshed the 'golden thread' in the autumn to allow teams to begin the planning process. This exercise included confirming that the outcomes that TfN is seeking to achieve were still valid in light of the Covid-19 pandemic. Those outcomes are consistent with the themes set out in the Strategic Transport Plan. And

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were approved by the Board in January as a basis for business planning:

- Transformed economic performance
- Improved productivity
- Enhanced inclusivity, health, and access to opportunities for all
- Better quality of life.

4.3 The Northern Transport Charter then identified four main objectives that would contribute to the delivery of those outcomes. These were adopted during last year's business planning process as its objectives for the current financial year and the Board agreed should be carried forward into 2021/22:

- Championing an inclusive and sustainable North
- Leading Strategic transport delivery
- A long-term northern funding settlement
- Putting Passengers first.

4.4 The January Board also endorsed the Key Themes around which TfN would base the next phase of its planning. These Key Themes were developed in the final months of 2020, although in the absence of a funding envelope prior to 4 January, TfN was unable to complete detailed planning. This detailed work can now be carried out based on a clearer funding envelope as set out in Section 3.

4.5 The teams within TfN have therefore developed plans based upon the delivery of those Key Themes. Where budgetary constraints have delayed, reduced the scope, or completely negated TfN's ability to undertake certain activity this has been identified, allowing clear choices to be made between competing proposals.

4.6 Per the recommendation in the January Board report, members were invited to join a Member Working Group to allow officers to consult with Transport for the North Members regarding the development of the Business Plan and Budget prior to Reports being brought to the Board for consideration and approval.

4.7 This Member Working Group has since been established and met in two groups (to facilitate diary management) on 8 and 9 February to consider business planning matters. The soundings taken in those meetings are reflected in the content of this report. In addition, working group meetings are scheduled for 26 February and 2 March. Any matters arising from those meetings, held after this report was circulated, will be updated to the committee on 4 March.

4.8 This report focuses on the activity that will be carried out by TfN's operational teams. Support team plans are to an extent dependent on the activity volumes driven from these areas, particularly Northern Powerhouse Rail which continues to constitute the bulk of TfN's transactional activity.



4.9 The remainder of this section sets out the approach to business planning being taken across:

- Core operational teams;
- Northern Powerhouse Rail; and
- Integrated and Smart Travel.

### **Core Operational Teams – Key Priorities**

4.10 The focus of this section is TfN core operations teams that will deliver on the key priorities agreed with the Board in January:

- Strategic Transport Plan development, and underpinning policy activity (for example on decarbonisation of transport)
- Investment Programme Benefits Analysis
- Northern Transport Charter activities
- Rail priorities (services and infrastructure).

4.11 The workstreams listed above were identified by TfN in the CSR submission to continue in its role of advising government on spending programmes. There are several “business as usual” strategy activities, which will involve several teams across the organisation. This is essentially core Transport for the North work required for the completion of medium-term deliverables – such as the refresh of the Strategic Transport Plan.

4.12 In light of the funding settlement we have reassessed our ability to deliver on those priorities based the cost reduction target set out in paragraph 3.14.

4.13 TfN can continue to deliver much of the core programme, albeit with some very significant reductions in key areas compared with the CSR submission, and careful prioritisation of activity and a more efficient use of existing TfN assets. This will mean activity stopping or not progressing some planned areas of work; finding more efficient and lower cost ways of working and delivery; and rapid reallocation of budgets in year if any work is rescheduled.

### **Strategic Transport Plan Development**

4.14 TfN is preparing to produce a new Strategic Transport Plan. This is the start of a long-term process to update, agree and consult on a new STP which will not be adopted until early 2024. We can maintain most of the planned STP programme, with hard prioritisation of research and policy development activity, shift activities from professional services to in-house expertise and integrate with other work streams. We recommend TfN start work in 2021/22 by filling key evidence gaps as follows:



- Progressing our decarbonisation and freight strategies, including formal consultation and engagement processes.
- Completing our current research projects on the visitor economy, social exclusion and user insight, and commissioning further work on health and wellbeing.
- We will also work with the LEPs and others to update the Northern Powerhouse Independent Economic Review to reflect the economic opportunities and challenges post Covid.
- Revisiting our Roads strategy in light of decarbonisation and future travel scenarios.

4.15 This means we will **not** now commission external work on developing the TfN policy positions as originally planned and will have reprogramme a number of other proposed research projects. Work on preparing the new STP itself will not start this financial year.

### **Investment Programme Benefits Analysis (IPBA)**

4.16 At around £1m, IPBA represents a significant one-off investment in the North's evidence base. The IPBA will provide critical evidence to update the Northern Investment Programme and provide the basis for Transport for the North to provide statutory advice to the Secretary of State for Transport on strategic transport investment priorities in the North.

4.17 It will demonstrate for the first time, the added value of a long-term fully funded multi modal investment pipeline. The IPBA will include identification of the pipeline funding required to secure development and delivery of the right schemes at the right time.

4.18 Outputs from the IPBA work will include analysis of the economic, social and environmental outcomes from the investment programme, which is fundamental to identifying the transport schemes needed to achieve TfN's vision and objectives for the North. This analysis uses TfN's analytical models and data, and will form the heart of the next STP.

4.19 The supporting business case work will be prepared by TfN officers, drawing on existing evidence where possible and drawing on the latest Green Book guidance. This approach represents better value for money, reflects the approach taken in NPR and will ensure that the resulting business case is fully consistent with both the STP development and the Northern Transport Charter.

4.20 There was strong support at the Member Working Group for undertaking the IPBA programme in 2021/22 and the Board subsequently confirmed that the project should now proceed.

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## **Northern Transport Charter Activities**

- 4.21 The January Board paper set out proposals for developing elements of the Northern Transport Charter from within TfN's current powers and funding envelope. This would enable TfN to make progress towards the objectives of the Charter, whilst building a track record in decision making and governance to support a future business case for further devolution of funding and powers.
- 4.22 There are a number of areas where we can make significant progress in 2021/22 whilst embedding the delivery of the Northern Transport Charter into the day to day activities of TfN. This approach is expected to involve:
- a) Developing the Northern Appraisal Framework alongside the IPBA programme to demonstrate the value of a decision-making model that balances transformational economic growth with environmental and social benefits.
  - b) Demonstrating the revised TfN decision-making model in practice, including:
    - Setting out an approach to prioritising strategic roads projects for construction to start in RIS3, and for projects to be tested for viability in RIS3 with a view to start in RIS4
    - Forming a delivery plan for NPR within any funding/timing constraints set out in the IRP
    - Forming an Independent Assurance Group to demonstrate the rigour behind TfN decisions and guide future investment decisions and prioritisation activity.
  - c) Achieving greater accountability of the railway in the North to the people of the North (through Rail North Committee)
    - Post Covid recovery to rebuild passenger confidence, increase passenger numbers and set a trajectory to mend the finances of rail services.
    - Respond to the publication of the Williams review and input into rail reform more generally.
    - Identify any short-term measures to align rail services with plans for economic recovery in towns and cities across the north.
  - d) Further development of the work already undertaken with regards to proposals for the scope and mechanics of a Northern funding settlement aligned with the emerging evidence from the IPBA work.
  - e) Exploring mechanisms for greater public participation in transport policy formulation:

- Opportunity to organise a Citizen’s Assembly to inform complex future transport issues, such as how road use is paid for in the future. Research is underway on options and best practice. This would be a significant undertaking, potentially done jointly with other STBs, and would require additional funding from reserves if undertaken in 2021/22.

4.23 The Member Working Group has emphasised the need to maintain a clear and visible focus on NTC activity during 2021/22, and recommended that the NTC Member Working Group be established to steer the work programme above, with the exception of rail activity where the Rail North Committee will continue to oversee input into the Rail North Partnership. We will factor the internal support and coordination of that activity into the business plan.

### **Strategic Rail Priorities**

4.24 Our proposals for rail focus on rebuilding confidence and services post-Covid and responding to both the Integrated Rail Plan and the Williams Review with clear plans for infrastructure and services. Our work supporting scheme development activity will now be much less ambitious than our CSR submission – particularly for local schemes and freight.

4.25 Key priorities include:

- Shaping and responding to the Covid recovery, working strategically to outline and deliver the Roadmap to Recovery activities that will encourage passengers back to rail.
- Integration of classic rail with HS2 & NPR for services and infrastructure after Integrated Rail Plan is published.
- Long Term Rail Strategy Delivery Plans including journey time and reliability workstreams.
- Continued basic support partners to accelerate the delivery of the STP outcomes and local development.

4.26 A number of activities identified in our CSR submission remain at risk, although we are increasingly confident that some elements of the following priorities could be funded, albeit in a more limited way than originally envisaged. The final position will be reflected in the advice to the March Board. The potential activities include:

- Early scheme development to develop the rail investment pipeline and secure a greater share of DfT’s investment funding

- Delivery of fares and ticketing strategy (under consideration as part of assessing retention of an IST capability, positioned in Strategic Rail funded out of TfN's core budget)
- Roll out of LTRS Delivery Plans including Journey Times and Reliability.
- More proactive support on local scheme development for LTA partners.

### **Northern Powerhouse Rail**

- 4.27 Detailed business planning has already been undertaken for the Northern Powerhouse Rail Programme, based on assumptions regarding the submission and approval of the proposals within the SOC. As this programme is co-cliented, this business plan has been developed with the department on the basis of the NPR Memorandum of Understanding (approved by the Board in January 2020).
- 4.28 As in 2020/21, the planned activity has been split for budget purposes between "Committed" amounts, that will be agreed with the department prior to the approval of the budget, and "Contingent" amounts, which either reflect that part of the work that TfN would like to do where detailed agreement with the co-client has not been achieved, or where it is expected that activity will be needed, but where the exact requirement and associated cost are dependent on work that is yet to be carried out.
- 4.29 It should also be noted that whilst it represents the co-clients' current best estimate, at least some elements of the plan that supports the Committed budget are subject to uncertainty related to the timing and outcome of the Integrated Rail Plan, and it is possible that this plan may need to be recast once the outcome of it is known.
- 4.30 It is currently estimated that the Committed budget for 2021/22 will be c.£49m, alongside an £18m Contingency budget.
- 4.31 The high-level plan to take forward the NPR Programme is currently as follows:
- Develop Strategy and Policy – NPR policy development and a high-level strategic business plan for all projects through to FBC.
  - Programme Business Case – Submission of a Network Strategy Report to TfN Board for approval, phasing for single route options and associated TAME model development.
  - Project Business Cases – targeted studies on new line options to support differentiation between options, reach a single route option for each corridor and station on the existing network, agree

procurement approach and undertake the process for “fast tracked” options (i.e. where a single option already exists).

- Start of Procurement – Contracts in place for OBC stage for the new line, on network and identified fast track projects.
- Long term funding envelope – Negotiate and agree RDEL and CDEL budget for NPR.

### **Integrated Smart Ticketing**

4.32 In the absence of any IST funding allocation, TfN will have no resources with which to take forward the programme. There is a small amount of work required to complete Phases 1 and 2, and TfN is currently working up a plan to deliver this and the wind-down of the programme. TfN already holds sufficient IST grant to resource these activities, subsequent to which any remaining grants will be returned to the department.

4.33 It is recognised, however, that TfN may need to retain Smart ticketing capability to support its other policy aspirations, not least in relation to supporting the building back of public transport passenger options and the longer objectives in relation to decarbonisation.

4.34 Options are therefore being considered which would either maintain strategic IST capability within Strategic Rail, or would fund a small programme such as a pilot rail PAYG on a small scale or to produce business cases for contactless on light rail over the course of the next year. The costs of these options are being worked up in detail but would be c.£100k for the former and c.£500k for the latter.

## **5. Activity in advance of 24 March Board**

5.1 Subsequent to the 4 March Scrutiny Committee meeting there are eight working days prior to the submission of the final draft Business Plan and Budget Report to the TfN Board for approval.

5.2 During that time TfN will need to complete the following activity:

- Complete the internal review and approval of departmental business plans;
- Produce an overarching draft TfN business plan;
- Agree the KPIs by which progress will be monitored;
- Agree programme budgets with the DfT;
- Agree and draft a TfN budget Report.

5.3 This activity will continue to be supported by the Member Working Group.

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**6. Risks**

- 6.1 As in previous years, the majority of TfN's proposed expenditure will sit within its programmes, and specifically NPR. This is the main driver of overall TfN expenditure, as well as being a key contributor to the demands placed upon TfN's support functions. The uncertainty with regard to the timing and substance of the IRP means that there is a risk that the programme may suffer from delays and / or the need to reconsider the required activity. TfN will continue to express programme budgets as "committed" and "contingency" as in previous years and will reassess the position once clarity with the IRP has been achieved.
- 6.2 Some of the key drivers of TfN underspends in 2020/21 will continue into the new budget year. These include uncertainty with regard to the restrictions that might be in place vis-à-vis the Covid-19 pandemic, uncertainty in relation to funding beyond the end of 2021/22 and uncertainty around policy decisions, including the IRP. Underspending in 2021/22 will carry reputational and future funding risks. The greater reliance on internal resources to deliver activity will make the cost base more predictable, but TfN will also put in place arrangements to switch funding to "reserve" activity if it becomes apparent that this is necessary during the year.
- 6.3 To further mitigate this risk was proposed to the Board that, subject to suitable break clauses being agreed, the consultancy support that has been procured to support the delivery of the IPBA (as described in Section 4 above) is confirmed immediately to allow mobilisation of resources to occur before the start of the new financial year. This was approved and has subsequently been actioned.

**7. Recommendation:**

- 7.1 That the Scrutiny Committee review and comment upon the priorities and emerging proposals for the operational teams and IST and NPR programmes set out in Section 4 and this report more broadly.

Appendix – Funding and Business Planning Report provided to 14 January TfN Board.

**ENDS**

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**List of Background Documents**
**Required Considerations**

*Please confirm using the yes/no options whether or not the following considerations are of relevance to this report.*

**Equalities:**

Age	Yes	<b>No</b>
Disability	Yes	<b>No</b>
Gender Reassignment	Yes	<b>No</b>
Pregnancy and Maternity	Yes	<b>No</b>
Race	Yes	<b>No</b>
Religion or Belief	Yes	<b>No</b>
Sex	Yes	<b>No</b>
Sexual Orientation	Yes	<b>No</b>

<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Equalities	A full Impact assessment has not been carried out because the subject matter of the report has no Equalities impact.		Iain Craven

**Environment and Sustainability**

Yes	<b>No</b>
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Sustainability / Environment	A full impact assessment has not been carried out because the report has no direct sustainability or environmental impacts.		Iain Craven

**Legal**

Yes	<b>No</b>
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Legal	Provided TfN has regard to the need to carry out its statutory duties and obligations, setting of its business plan and budget within the available funding envelope is within the discretion of the Board.	Julie Openshaw	Dawn Madin

### **Finance**

<b>Yes</b>	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Finance	The financial implications have been considered and are included in the report.	Paul Kelly	Iain Craven

### **Resource**

<b>Yes</b>	No
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Resource	The resource implications have been considered and are included in the report. The paper setting out TfN's final budget and business plan to be presented to March meeting will fully set-out any associated resourcing implications.	Stephen Hipwell	Dawn Madin

### **Risk**

Yes	<b>No</b>
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Risk	Risks relating to the funding arrangements have been outlined in the report.	Haddy Njie	Iain Craven

### **Consultation**

Yes	<b>No</b>
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<b>Consideration</b>	<b>Comment</b>	<b>Responsible Officer</b>	<b>Director</b>
Consultation	A consultation process has not been carried out as it is not required for this report.		Iain Craven