

# Transport for the North Board Minutes

**Thursday 18 February 2021**

**Present:**

John Cridland (Chairman)

**Attendee**

CLlr Phil Riley  
CLlr Craig Browne  
CLlr Karen Shore  
CLlr Matthews  
Mayor Andy Burnham

CLlr Daren Hale  
Michael Green  
Mayor Steve Rotheram  
CLlr Carl Marshall  
CLlr Nick Forbes  
CLlr Carl Les  
Mayor Dan Jarvis  
CLlr Heather Scott  
CLlr Hans Mundry  
CLlr Judith Blake  
CLlr Andy D'Agorne

**Local Authority**

Blackburn with Darwen;  
Cheshire East;  
Cheshire West & Chester;  
East Riding of Yorkshire;  
Greater Manchester Combined  
Authority;  
Hull;  
Lancashire;  
Liverpool City Region;  
North Yorkshire;  
North of Tyne Combined Authority;  
North Yorkshire;  
Sheffield City Region;  
Tees Valley;  
Warrington;  
West Yorkshire Combined Authority;  
York;

**Rail North Authorities Attendees**

Councillor Trevor Ainsworth  
Councillor Chris Brewis  
Councillor John Ogle  
Councillor David Williams

Derbyshire  
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:**

Nick Bisson	Department for Transport
Ben Smith	Department for Transport
Nick Harris	Highways England
Lorna Pimlott	HS2
Graham Botham	Network Rail

**Officers in Attendance:**

<b>Name</b>	<b>Job Title</b>
Barry White	Chief Executive
Gary Rich	Democratic Services Officer
Dawn Madin	Director of Business Capabilities
Iain Craven	Finance Director
Julie Openshaw	Head of Legal
Tim Foster	Interim Strategy & Programme Director
Rosemary Lyon	Legal and Democratic Services Officer
Jeremy Acklam	IST Director
Peter Molyneux	Major Roads Director
Tim Wood	Northern Powerhouse Rail Director
David Hoggarth	Strategic Rail Director
Deborah Dimock	Solicitor

**Item No: Item****1. Welcome & Apologies**

- 1.1 The Chairman welcomed Members and apologies were noted.
- 1.2 The Chairman informed Members that this would be Cllr Blake's final Transport for the North (TfN) Board meeting before taking up her seat in the House of Lords. He thanked Cllr Blake for all her hard work as a member of TfN Board.
- 1.3 Cllr Blake thanked the Chairman and stated that she would remain an advocate for the North in the Lords and will watch the progress of TfN. She stated that she is looking forward to continuing her relationship with TfN once she has taken her seat in the Lords.

**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 14 January 2021 were considered.

- 3.2 The Chairman updated Members on actions following the previous Board Meeting. In relation to the Rail Needs Assessment he explained that the Chief Executive together with Members had sent a letter to the Secretary of State expressing the Board's strong views on it. Members were informed that these were then discussed with the Secretary of State and Andrew Stephenson MP on 3 February, with follow up meetings set up between Members and the Minister during the following week. Members were also informed that the Chief Executive had also sent a letter to the Secretary of State on the Transpennine Tunnel and the Yorkshire Cross Pennine Route.
- 3.3 The deadline for applications for the Chief Executive post has now passed, with a positive response being received. A sift meeting will take place on Friday 18 February 2021.

**Resolved:**

That the minutes of the Transport for the North Board held on 14 January 2021 be approved as a correct record.

**4. IST Programme**

- 4.1 The report of the IST Director was received by Members. The Chairman expressed his thanks to the IST team for their work in bringing Phases one and two of the programme to full successful fruition.
- 4.2 The IST Director explained that the programme was introduced to improve passenger experience across the North. This was achieved with Phase one, with an 80% adoption of smart rail season ticket holders. The flexi season capability was also delivered across the North rail network focussing on products for less frequent commuter travel which will be essential part of the post Covid recovery. He explained that the second Phase has delivered a Disruption Information system for bus, light rail and ferry. He explained that these were brought together in the spending review to extend further but to date none of the £33 million funding requested has been secured. The DfT has stated that contactless on rail would be delivered as part of the rail reform programme.

Members were informed that DfT has been approached from a number of angles in order to try to secure some funding which has so far has been unsuccessful. Consequently, this report seeks the Board's agreement to wind down the programme. The impact of this on partners, the North of England and the return of customers in the short term were highlighted.

- 4.3 Concerns were raised about the cancellation of the IST Programme. Members believed that cancelling the programme would hinder the recovery out of the pandemic at a time when it may prove difficult to attract passengers back on to public transport. They also believed that this decision would impact on differential pricing structures and lead to a loss of valuable knowledge in this area.

- 4.4 Cllr Blake was disappointed that the project couldn't be broken into smaller pilot projects and believed that this may be worth pursuing.
- 4.5 Members discussed potential next steps in order to prevent the closure of the IST Programme and suggested that the Treasury be approached. Cllr Blake suggested that this could be done in conjunction with Midlands Connect. Cllr Forbes suggested that the recommendations within the paper be put on hold until after the budget.
- 4.6 Mayor Jarvis hoped that some money could be included in the business planning process in order to retain some of this programme.
- 4.7 The IST Director stated explained that had the programme continued the focus would have been on digitisation which is seen as the future of modal change. He stated that there is focus on how knowledge can be shared and maintained. He stated that the current funding envelope runs until the end of March 2021 and that there is no flexibility in the current envelope for this to run beyond the end of March. He explained that conversations would continue with the Treasury and highlighted the opportunity to work with Midlands Connect to look at a more rounded approach. Members were informed that work had been taking place in trying to reverse the decision and that work would continue on this matter.
- 4.8 Mr. Ben Smith recognised Members' disappointment and thanked them and TfN for their work on Smart ticketing. He explained that the spending review only covered one year and that there was an expectation that there would be a further spending review in the coming year.
- 4.9 The Chairman reiterated to Mr. Smith that this is about developments in individual city regions and asked that Mr. Smith bring this to the attention of the Department.

**Resolved:**

- 1) That the report be noted;
- 2) That the cessation of funding for the IST Programme be noted;
- 3) That the winding down of the IST Programme noting the closure plan is being finalised;
- 4) That it be noted that the winding down process will continue into 2021/22 and that DfT will provide funding to cover the cost of winding down the programmes;
- 5) That it be note that the business plan report to TfN's March Board will set out any proposal to retain an IST capability funded from TfN's core budget;
- 6) That the Chief Executive and IST Director make a final effort with the Treasury to obtain more funding before taking the action to cease the IST Programme.

## **5. 2021/22 Funding Update & Draft Business Planning**

- 5.1 The report of the Finance Director and the Interim Programme and Strategy Director was received by Members. The Finance Director highlighted key areas of the report and explained that since its publication, business planning has continued and operational and support team plans will be completed by 5 March in time for a report to be produced for the Board by the 16th. Members were also informed that a draft budget is being developed. The Finance Director highlighted that there is slippage in the budget due to ongoing current uncertainties and Covid 19 and it was proposed to slip this funding into the next year so that the budget envelope would be increased from £8-£8.5 million. He also confirmed that no further funding had been made available for the IST Programme, as outlined in the previous report.

Members' attention was also drawn to the Integrated Rail Plan (IRP) and the potential impact that this may have on the NPR business planning. He explained that business planning assumptions have been based on uncertainty over the first couple of quarters of the next financial year. However, he also stated that the IRP could also have consequential impact on the NPR business plan as well as the wider TfN plan.

- 5.2 The Chief Executive highlighted the work of the Finance Director with the Department in agreeing some cost allocations which has mitigated some of the elements of the of the funding cuts leaving TfN in a better position than initially anticipated.

The key points of the letter from Unison that TfN and Members had received were outlined. Unison requested that there be Voluntary redundancy, redeployment and an external recruitment freeze. The Chief Executive explained that these would be considered and that Unison and affected staff would be kept informed. The Chief Executive asked Members to reconfirm their decision from the January Board to continue with the recruitment process for the new Chief Executive as this was also an issue raised by Unison.

- 5.3 Mayor Burnham supported the vacancy freeze with the caveat that the recruitment of the new Chief Executive be excluded from this. He explained that the organisation needs strong leadership and a clear direction.

- 5.4 The Chairman welcomed the letter from the Trade Unions.

- 5.5 Cllr Green expressed concerns about paragraph 4.26 of the report. He explained that it is of critical importance that partners are able to access the extensive knowledge base that is available through TfN staff and should this be lost a significant gap will be left moving forward.

- 5.6 The Chairman commented that this is not a good situation but some progress has been made since the last Board following the reallocation of some costs which has reduced the impact.

**Resolved:**

- 1) That the report be noted;
- 2) That Board approves the funding envelope set out in paragraphs 3.4 – 3.9, and in particular the proposed use of reserves;
- 3) That Board notes and approves the use of reserves as noted in paragraph 3.2;
- 4) That 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;
- 5) That 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 Board in March;
- 6) That, subject to appropriate break clauses being agreed, TfN confirms the Investment Programme Benefits Analysis (IPBA) support contract to allow the mobilisation of resources prior to the start of the new financial year.

**6. Any Business Which the Chair is Satisfied is Urgent**

**6a & b) Northern Powerhouse Rail Strategic Outline Case Timing**

- 6.1 The report of the Northern Powerhouse (NPR) Director was received by Members.
- 6.2 The Chief Executive apologised to Members for the supplemental report on this item. He explained that the Government has requested the rephrasing of the Strategic Outline Case (SOC) until after the publication of the IRP.

The benefits to the North of the Co-Clienting arrangement were highlighted; he explained that the DfT has additional responsibility due to being the funder as well. He explained that following the request the only practical way forward would be to agree to the rephrasing of the SOC.

The IRP will also allow for a greater understanding of the Government's plans for HS2 and how it integrates with NPR; however a delay to the SOC creates uncertainty with business planning for the coming financial year. The recommendations of the IRP will be of vital importance.

- 6.3 Members expressed concern that they were being silenced on this issue and believed that they and TfN would not be given a fair say or be able to comment on this matter until after decisions had been made.

- 6.4 Whilst understanding the rationale behind delaying the SOC Cllr Mundry believed that Northern Leaders would ultimately find themselves commenting on a completed document.
- 6.5 Mayor Rotheram stated that the SOC should inform the IRP rather than the other way round and requested that other options be explored.
- 6.6 Mayor Jarvis requested that TfN seek assurances on the need for ongoing engagement with Government on the development of the IRP and the role that TfN has to play in its development. He hoped that the IRP will use TfN's work to inform it.

He expressed disappointment that there hasn't been the same co-clienting arrangements on this as there was on NPR. This arrangement involved working with Government to ensure that Northern priorities would be delivered by Northern Leaders.

- 6.7 Mayor Burnham stated that big decisions are in front of Members that will define the North of England for the rest of this and the next century. He highlighted what is happening to TfN and stated that he believed that the voice of the North is being marginalised and the ambitions downgraded at the same time.

He raised concern about TfN waiting for the IRP before submitting the SOC and highlighted the fact that the IRP is predicated on funding HS2 fully in the South whilst cutting back in the North. Mayor Burnham stated that he would be uncomfortable drifting into a *fait accompli* where ambitions are downgraded without challenge. He stated that if TfN goes quiet the people of the North would not forgive this.

- 6.8 Cllr Blake explained that Members of the Board are representing their constituents as well as stakeholders in their areas. She highlighted the importance of transport which will be vital to the recovery as well as economic aspirations of the North. Cllr Blake stated that it is the responsibility of TfN to come up with stronger long-term vision which isn't influenced by the changing political landscape. She stated that the leaders of the North can't stay quiet on this and if the ambition can't be met then it's for Government to explain why so that Leaders can then explain to the people they represent.

- 6.9 In response to Mayor Rotheram the Chairman highlighted two key corridors where big capital investment programmes would be needed; Leeds to Manchester with the important link with Bradford, and Manchester to Liverpool with the important link with Warrington. On both these corridors big choices will need to be made in order to get the best transformational ambition for the North. He informed Members that he believes the SOC will be stronger where an agreement can be reached on these two corridors and other issues. He stated that it could be positive for TfN to wait for the IRP before making a decision. The Chairman reminded Members that the SOC can only proceed if both parties agree

with it being a co-cliented project; however he stated that TfN can provide statutory advice to Government.

- 6.10 Mr. Peter Kennan highlighted stakeholders' concerns of not proceeding with the SOC and stated that the public are pushing for TfN to deliver the SOC.
- 6.11 Mr. Kishor Tailor highlighted the role that businesses will play in the recovery and the levelling up agenda.
- 6.12 Cllr Shore stated that Members are the democratically elected voice of the North who want Government to listen to their views and the views of the communities they represent.
- 6.13 Mr. Mark Rawstron believed that TfN will need to accept the delay to submitting the SOC. However, he stated that whilst accepting the delay, the Board's concerns should be expressed in the strongest terms to the Government.
- 6.14 Mr. Mark Roberts explained that business across the North needs to hear the TfN ambition and be given more certainty about future infrastructure plans allowing them to make investment decisions. He supported the Chairman's view that if the SOC is unable to be submitted then statutory advice should be given within a short timescale.
- 6.15 Mayor Rotherham stated that the statutory advice needs to state that whichever option is decided TfN will not accept the minimal viable option.

The Chairman stated that he would be disappointed if the SOC is not completed within the shortest possible time. He explained that if TfN is pleased with the IRP it may be able to make progress on the key corridors as quickly as possible.

- 6.16 Mayor Burnham requested that the statutory advice be robust and list the options that are unacceptable to the Board. He stated that the "non-negotiables" be set out as part of the statutory advice and that this is made public in advance of the IRP.
- 6.17 The Chief Executive confirmed that the statutory advice can be expressed in strong terms. He explained that due to the level of detail in the statutory advice this would need to be in private but TfN will also look to produce a higher level document that will make the ambition clear to the public.
- 6.18 Mr. Nick Bisson informed Members that the most important thing is that the SOC and IRP are aligned. He stated that Andrew Stephenson MP intends to hold a meeting with leaders of the North in the coming week.

**Resolved:**

- 1) That it be noted that the Transport Secretary has stated that DfT wishes that the submission of the NPR Strategic Outline Case (SOC) be delayed so that it can be preceded by the Integrated Rail Plan (IRP).
- 2) That Members have agreed the request to delay the submission of the SOC until after the publication of the IRP. Statutory advice will also be issued to Government and a high level public statement made.

**6c) Updated Corporate Risk Register**

The Chairman deferred this item and encouraged Members to contact the Finance Director should they wish to make any comments.

**7. Exclusion of Press and Public**

**Resolved:** That the public be excluded from the meeting during consideration of Items [8 & 9] 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 14 January 2021 were considered.

**Resolved:**

That the private minutes of the Transport for the North Board held on 14 January 2021 be approved as a correct record.

**9. Northern Powerhouse Rail Preferred Way Forward**

- 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.

