

Transport for the North Monthly Operating Report February 2021



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Introduction

Summary from the Chief Executive

Train passenger levels remain at a low level (10-15% of pre-Covid levels) but as lockdown is eased passenger numbers will start to rise again. Much work is ongoing as part of the Roadmap to Recovery to be ready rebuild passenger numbers at the right time, reassuring previous passengers on travelling safely, and encouraging new passengers to swap to using rail.

The public consultation on the Manchester Recovery Taskforce closed on 10 March 2021. The Task Force plans to make a recommendation at the end of March then this decision will be discussed with lead officers before coming before Rail North Committee on 16 April 2021 for presentation and decision.

In response to the withdrawal of ongoing funding for the Integrated and Smart Travel programme, a closure report was considered and approved by the TfN Board on 18 February. TfN has subsequently begun implementing a closure plan for the programme that is expected to complete in the first quarter of 2021/22.

At request of the Department for Transport, the TfN Board has agreed to delay submitting the business case for Northern Powerhouse Rail until the Government's Integrated Rail Plan has been published. February's NPR Programme Board agreed that the majority of the proposed work programme for 2021/22 can commence ahead of the IRP being published. In a positive step forward survey work on the Leeds Hull line is due to commence on 6 March, helping to inform the next stages of design and development.

TfN continues to support the economic recovery of the North around Covid-19, including through engagement with the DfT's Acceleration Unit to discuss the potential speeding up of projects identified in TfN's Economic Recovery Plan.

Following approval at TfN Board on 18 February, TfN will commence the Investment Programme Benefit Analysis (IPBA) work in April 2021 Running through to spring 2022, the analysis will play a core role in shaping the next Strategic Transport plan due in 2024. During March, work will be undertaken to progress other tasks associated with the IPBA work including preparation of the Freight Modelling commission.

Throughout February, TfN colleagues have continued to work on business planning for all departments, supported by a Member Working Group, and the Board taking stock of progress on 18 February. A final version of the business plan will be put to the Board on 24 March for approval.

Following the Prime Minister's February roadmap announcement for how England will exit the current Covid-19 lockdown, TfN continues to follow Government guidance, with a return to the office currently expected no earlier than shortly after 21 June 2021, noting there will be a short lead time to re-open TfN offices safely.

Northern Powerhouse Rail (NPR)

Monthly Summary

On 18 February, the TfN Board confirmed TfN's preferred way forward in line with the initial decision taken in November 2020. The Board also agreed to the request from DfT that the completion and submission of the Strategic Outline Case (SOC) be rephased so that it can be preceded by the publication of the Integrated Rail Plan (IRP). Following the meeting, a letter was sent to the Transport Secretary providing statutory advice on TfN's preferred way forward, and seeking assurances that TfN will be consulted and involved in the development of the IRP as it relates to the North. The statutory advice also recommended that work should continue to progress toward further route and design refinement, outline business cases, and the necessary development consenting on the parts of the network that are recommended to start construction in the mid-2020s. The revised submission of the SOC will be dependent on the content and timing of the IRP.

Engagement with partners continues to ensure they are updated on progress and fully briefed on the development of the SOC.

Subsequent to any IRP announcement by Government, which may be in March, the Northern Powerhouse Rail business plan for 2021/22 will need to be updated with the new dates for SOC completion, and the programme will be reviewed for any dependencies impacted by the rephasing.

Activity Update

Infrastructure

The Draft Pre-Sequence 5 proposal, which addresses procurement strategy development for NPR, was received from Network Rail (NR) and reviewed by the NPR Programme Management Office (PMO) in the month. The team is now working to finalise the proposal over the next period with a target of a decision, by NPR Programme Board, to instruct being made in April 2021. Following endorsement at NPR Programme Board in February, activities to achieve Governance for Rail Investment Projects (GRIP) 2, with GRIP being the process by which NR manage and control investment projects, on routes to Hull have been instructed by TfN to NR and are now underway. NR is in the process of developing detailed plans for 2021/22, following NPR Programme Board endorsement of activity. NR is to present back detailed planning to NPR Programme team in March for review and finalising to support baselines to be taken following endorsement at NPR Programme Board in April.

Technical Assurance, Modelling and Economics (TAME)

Analysis and testing of the Northern Rail Modelling System (NoRMS) iteration 2 model has now commenced. The first of the new modelling partner contracts will commence in the coming days with commissioning forms submitted for the next two to follow, of these Wider Economic and Social Impacts Partner (including Northern Economic Land Use Model (NELUM)) will go to market in March Scenario planning for modelling activities to support the re-phased SOC have been presented to TfN's Senior Management Team (SMT) and DfT analytical team.

Programme Planning

The proposed scope of activity for 2021/22 was presented at NPR Programme Board in February and endorsement was received for the majority of items,

including targeted studies to support the refinement of the NPR network and the single route/hub option recommendation reached through the completion of Intermediate Sift Part 2. Areas covered here include Leeds Hub, Manchester – Sheffield and Leeds – Newcastle, as well as starting the detailed planning for Manchester – Leeds pending co-client instruction to proceed with the activity post-IRP publication. Additionally, endorsement was received for the further development of infrastructure, where a route single option has already been determined, with the aim of continuing to further refine infrastructure (inc. estimates) as well as supporting the improvement of benefits. Endorsements received are subject to continued review of the detailed scope to reduce the risk of nugatory spend on the programme prior to the publication of the IRP.

Risks		
Risk Summary	Summary of Mitigating Measures	KPI
<p>Integrated Rail Plan (IRP) The conclusions of the IRP could have consequences to the SOC if its recommendations on funding envelope, phasing and/or specifying route options are different from those agreed by TfN Board. This would result in delays to the next stage of the NPR programme both in terms of funding available for 2021/22 and scope of works (additions/removals) on permitted development. It will also affect alignment between the TRU and NPR programmes.</p>	<ol style="list-style-type: none"> 1. While this risk is set out as a potential delay to the SOC, it could potentially speed up the next stage of NPR development if the IRP allows more single options in corridors to be identified quickly. 2. A rapid response group is being co-ordinated which will review the IRP on release, to understand the implications on the SOC and 21/22 business plan. 3. Continue working with NR and DfT on TRU/NPR alignment. 	2
<p>Co-client agreement of 2021/22 scope We may be unable to agree as co-clients the activity for 2021/22 scheduled to start from April 2021. This would result in delays to proposed programme activity for 21/22, as well as impacts to commissioning and mobilising programme teams.</p>	<ol style="list-style-type: none"> 1. Infrastructure scope workshops are taking place with co-client and NR to review and agree scope. 2. Discussions are ongoing at a senior co-client level. 	N/A
<p>Government-led network The NPR network may be decided by the Government. This may result in partners not agreeing with the suggested network, leading to programme delays, or result in a significant disagreement affecting progress.</p>	<ol style="list-style-type: none"> 1. For the current preferred way forward options that the Government is likely to challenge, TfN will present the evidence base where the minimum viable option, such as on the Man-Liv route, should not be chosen. This will include undertaking network reliability analysis. 	N/A
Programme and Look Ahead		
TfN Board		
24 March 2021: Summary of IRP implications for NPR (if received pre-Board).		

Integrated and Smart Travel (IST)

Monthly Summary

As no funding has been confirmed we are now implementing a closure plan for the programme which we expect to be completed by the end of the first quarter of 2021/22. As part of business planning for next year, we are seeking the Board's approval to create a new role within the Strategic Rail team to embed smart activity and delivery of digital fares going forward. This will be resourced through an allocation of Core funding.

The programme continues to work with Train Operating Companies to deliver Phase 1, focusing on completion of works to enable the roll out of flexi seasons and on-board retailing and validation. All Phase 2 deliverables are complete.

Activity Update

Phase 1 - Smartcards on Rail

The Merseytravel/Merseyrail online retailing offer (Railpass season tickets), supported by Platform Validators (PVals) at their 66 stations delivered through Phase 1, has now been made available to the public. Northern flexi-seasons are now available along seven routes, with DfT approving a further two routes in February (Leeds to Knottingley/Pontefract; Leeds to South Milford/Gilberdyke to Hull).

Northern's live trial of STAR Mobile (on-board retailing and validation) also on behalf of TPE (TransPennine Express), is well advanced. It is now being trialled on 20 handheld devices, with completion forecast in mid-March. This will complete the workstream.

Phase 2 - Improving Passenger Information

Disruption Messaging Tool (DMT) – The supplier provided, and the IST Programme have signed off, improved reporting for user activity. All paid-for deliverables for the entire phase are now completed.

DfT has expressed an interest in adopting the DMT nationally as part of the suite of tools available through their Bus Open Data platform. The IST team has provided information to support a formal DfT decision in mid-March. Otherwise, as envisaged in the Final Business Case, TfN will operate the DMT and Open Data Hub (ODH) on behalf of LTA users until March 22, providing LTAs with time to make their own contractual arrangements with the suppliers after this date.

Phases 3 and 4 - Contactless on Rail and Local Smart Schemes

Closure activities have begun including work on lessons learned from the Innovation Procurement.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Risk: Phase 1 - The challenges faced with validation equipment may delay the introduction of smart flexi-seasons in Greater Manchester and the Bradford areas, which could result in costs running into 2021/22.	<ol style="list-style-type: none"> 1. The supplier, S&B have scheduled bug fix for gate upgrade for delivery w/c 22 March. 2. Northern and TfN are working with Manchester City Council's planning department to expedite outstanding consents to listed buildings. 3. TfGM validator configuration testing has commenced. 4. DfT has agreed to fund the project through to completion of the works 	3
Risk: Phase 2 - Due to late decision-making and the uncertainty of DfT to take ownership of the DMT tool, it is likely that arrangements to support DMT from March 2021 might not be implemented in good time. This could result in service disruption to LTA users and pressure to expedite putting in place service management.	<ol style="list-style-type: none"> 1. If there is no DfT agreement to take on the DMT in mid-March TfN will revert to its plan of supporting the DMT until March 2022 and IST will handover service management to TfN central IT. 2. Agreement with DfT and Bus Open Data Team of a plan of activities to transfer ownership and handover the DMT to begin as soon as possible, with workstreams working in parallel. 	4
Issue: Phases 3 & 4 - DfT has informed TfN that there was no funding allocation for the IST programme in 2021/22 and therefore we are winding down these Phases.	<ol style="list-style-type: none"> 1. Seek approval within the business plan to create a new role within the Strategic Rail team to embed smart activity and delivery of digital fares going forward. It is proposed that this will be supported by an allocation of Core budget. 	5

Programme and Look Ahead

Phase 1

Northern to finish the live trial of STAR Mobile (on-board retailing and validation), ready for deployment both to Northern and TransPennine Express (to be actioned after project close).

Successful completion of S&B's gate upgrade development in Greater Manchester and Bradford areas.

Final Northern PVal civils work and fitting heads to PVals at Manchester Piccadilly and Deansgate stations.

Phase 2 - Disruptions Messaging Tool

DfT to take a decision about whether it is to take ownership of the tool instead of TfN retaining ownership until the end of March 2022. Handover of the DMT to DfT. Handover of ODH to TfN IT (until such time as the contract terminates).

Nexus (Transport for Tyne and Wear) to increase the amount of planned disruptions for all modes entered on the tool and provide certainty about when they will enter unplanned disruption across modes.

Phases 3 & 4

Complete lessons learned and project closure.

Investment Programme

Monthly Summary

Following approval at TfN Board on 18 February, we will commence the Investment Programme Benefit Analysis (IPBA) work in April 2021. The IPBA commission is critical to understanding the economic, social and environmental benefits of the TfN Investment Programme. The analysis will use DfT’s conventional growth scenario, and TfN’s four Future Travel Scenarios, to assess the Investment Programme against three different funding strategies. This work will enable TfN to make a strong evidence-based case for transport investment and provide a clear picture of the potential impact of the Investment Programme on carbon emissions.

Activity Update

The tendered bids for the IPBA commission have now been assessed and TfN has identified a preferred bidder. The contract will be awarded at the end of March. During February:

- Work on updating the TfN Interventions Log, which maps the road and rail schemes in the Investment Programme, is ongoing, and takes account of recent decisions regarding the NPR programme. The Interventions Log will be regularly updated and also includes schemes that are under consideration, but do not form part of the TfN Investment Programme.
- A commission to bring forward coding of the Investment Programme interventions into TfN’s transport models has been procured to help de-risk the main commission.
- A commission for freight modelling to support the main IPBA commission has been agreed and the contract will be awarded in March.
- The team has invited members of the Strategic Oversight Group and their colleagues to join IPBA briefings in March, which will provide Members with an understanding of the project scope, management processes including engagement with partners and the technical process.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>NPR Alignment – Risk: A number of interdependencies with NPR and TAME have been identified – including the reference case, model development, internal resource requirements, and freight modelling. The delay in publishing the IRP increases the risk that the final IPBA outputs might not be fully aligned with the preferred NPR network (when agreed) and the final design of HS2 and TRU. If not addressed, all of these issues could lead to increasing costs and delays in the IPBA programme, as well as reputational impacts for TfN. The delay in publishing the IRP increases the risk that the final IPBA outputs might not be fully aligned</p>	<ol style="list-style-type: none"> 1. Identify latest date for NPR/HS2/TRU decisions to feed into IPBA project, noting in the Appraisal Specification Report (ASR) that work is based on assumptions made on the proposed and agreed date. 2. Revisit IPBA reference case assumptions with partners in April, to ensure there is an agreed baseline to work with. 3. Management capacity is being strengthened within the modelling team to manage the allocation of TAME resources between TfN programmes. This will give TAME flexibility to respond to short term resource requests from NPR 	10

with to the preferred NPR network (when agreed) and the final design of HS2 and TRU.	and protect allocation of key TAME resources to IPBA.	
<p>Analytical Framework – Risk: IPBA is reliant on the Analytical Framework's models with several new variables that require thorough testing and assurance. In the event that the models are not developed and ready to be used, there is a risk of failing to meet Business Plan commitments and the deliverability of the Strategic Transport Plan could be at risk. Further work may likely be required, costing TfN additional resources such as time and funding to ensure its deliverability.</p>	<ol style="list-style-type: none"> 1. To continue holding monthly meetings to track interdependencies and monitor potential risks. 2. The modelling and appraisal team to continue providing monthly updates on the framework's development and state of readiness. 3. Review the scope of work against progress during IPBA's Gateway Review Point (GRP). 	10

Programme and Look Ahead

- Continue to monitor risks and progress the commissioning process as far as possible to ensure a start in April 2021.
- The contract for IPBA will be awarded in March, so that the contract will start in April 2021.
- A commission for freight modelling to support the main IPBA commission has been agreed and the contract will be awarded in March.
- IPBA project briefings for partners will take place in March.

Major Road Network (MRN)

Monthly Summary

The Major Roads team is continuing to monitor the progress of projects that were recommended for MRN funding (including Large Local Major schemes) in the 2020-2025 period. Further work on completing the Major Roads Report is waiting on publication of the DfT’s Transport Decarbonisation Plan and TfN’s Decarbonisation Strategy.

Activity Update

- The team has been engaging with DfT’s Acceleration Unit to discuss opportunities for speeding up the delivery of projects identified in TfN’s Economic Recovery Plan.
- The team is continuing to monitor the impacts of Covid-19 on travel, and is engaging with DfT, Highways England (HE) and TfN partners on sharing transport data.
- Through work with colleagues in TAME, the team has developed an online ‘Power BI’ tool enabling partners to access and analyse journey time, reliability, and origin/destination data on the MRN. Access can be granted to TfN partners, subject to receipt of a licence agreement, and access to Power BI software. Each Local Transport Authority has been provided with a summary of local mobile data insights for their area.
- The team submitted an officer response to the Transport Select Committee Inquiry on zero-carbon vehicles and road charging, following comments from partners.
- The team worked in partnership with other Sub-national Transport Bodies on submitting a response to DfT’s ‘Future of Transport: Rural strategy call for evidence.’
- The team has produced an initial scope for a project developing recommendations on the infrastructure required for electric and hydrogen vehicle refuelling. This workstream will be considered alongside other priorities in the business planning process.
- TfN has procured MDS Transmodal, a freight consultant, to produce four credible reference case scenarios in terms of freight origin-destination and mode choice, against which different interventions can be tested. These will be aligned with TfN’s Future Travel Scenarios.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Risk: Negative perceptions - Due to the environmental and sustainability impacts of traffic and congestion, stakeholders might assume	1. Working with the Stakeholder Engagement & Communications Team (SECT) to develop a clear narrative on why roads are a critical part of the transport network, and how future management of, and investment in, roads can support the North’s vision for a sustainable future.	6

<p>that road investments could be worsening the situation e.g. greenhouse gas (GHG) emissions. As a result, there is a risk that the road schemes might not get the investment needed to deliver the Strategic Transport Plan (STP).</p>	<ol style="list-style-type: none"> 2. Work to address this topic in the Major Roads Report and work with SECT to develop an appropriate comms plan. 3. Use our Future Travel Scenarios evidence to inform work and communications, and monitor impacts of Covid-19 on travel behaviours, patterns and flows. 4. Await the outcome of DfT's Transport Decarbonisation Plan (Spring 2021) and use this to help inform TfN's Decarbonisation Pathway. 5. The Investment Programme Benefit Analysis project to enable TAME to build the Analytical Framework, which can be used to demonstrate the real impact of road investment and different policy measures. 	
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Programme and Look Ahead

- TfN will work with DfT to review evidence for the Trans-Pennine Tunnel (TPT) and M6-A1(M) studies and agree the next steps.
- The team is continuing to support the development of TfN's draft Freight and Decarbonisation Strategies, both due to be considered at TfN Board in March.
- Highways England has asked TfN to support the statutory public consultation events for the A66 dualling project, which will take place this Spring.

Strategic Rail

Monthly Summary

The operational focus remains on supporting Covid-19-related work and planning for recovery through the North of England Contingency Group and Rail North Officer Group (Operations) working closely with Rail North Partnership (RNP). The team is continuing to support the Manchester Recovery Task Force timetable consultation. TfN continues to work closely with the DfT and Network Rail on a range of investment plans across the North of England, including schemes to address congestion hotspots in central Manchester, train lengthening (capacity) and decarbonisation as part of the Manchester and North West Transformation Programme, and a number of projects around Leeds.

Activity Update

Rail Operations

We continue to monitor Covid services and demand. Train operators have reported that passenger demand has increased slightly to 10% (TransPennine Express) and 15% (Northern) of pre-Covid levels in February.

The Manchester Recovery Task Force consultation continues to seek the views of the public and stakeholders on rail timetable options to address the poor performance of the rail network in the Manchester area and Member and Officer briefings have taken place. The consultation will inform decisions to be made in Spring 2021 on potential changes to the timetable that would be implemented from May 2022. Rail North Committee will consider the next steps at a meeting in April 2021.

Rail Investment

The Outline Business Case for the Transpennine Route Upgrade (TRU) has been deferred pending the Government's publication of the Integrated Rail Plan (IRP) for the North and Midlands which is anticipated in March 2021. The IRP is likely to influence the scope choice for TRU and NPR between Manchester and Leeds. In the meantime, initial work, including a major blockade in the Manchester area in summer 2021, is progressing.

TfN continues to work to secure the right infrastructure package for central Manchester and support partner authorities on local schemes, including the Energy Coast Rail Upgrade in Cumbria, a new Skelmersdale rail link, and station capacity improvements at Darlington, Middlesbrough and Leeds. A high-level pan-Northern trip rate model to assess the potential number of trips made by a new station or new line has been completed which will allow a quick assessment of proposals, in advance of the completion of the Investment Programme Benefits Analysis during 2022.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Risk: The short-term effect of Covid-19 on the reintroduction of services on to the network – Services could be further impacted by resource levels among operators and restrictions around staff training. This will impact on localised areas which will	<ol style="list-style-type: none">1. TfN continues to work closely with operators to review timetables in advance of changes and to feed in key areas of concern to be addressed.2. Driver training continues and operators are planning future service uplifts based on their	9

<p>see reductions in connectivity and frequency until driver training is delivered. Furthermore, the rollout of further new trains will also be delayed possibly leading to a reliance on older rolling stock.</p>	<p>known resource plans which RNP is keeping under review.</p> <p>3. Now that a roadmap to lifting restrictions has been issued the focus from Strategic Rail and RNP will be on short term recovery whilst still focusing on supporting the recovery of demand as restrictions ease.</p>	
<p>Risk: The long-term effect of Covid-19 on the viability of train services – The third national lockdown and tighter restrictions on travel are likely to further affect the time it will take for the industry to recover to pre-Covid-19 levels. This may impact the future of train service investment decisions which might affect TfN’s ability to achieve its ambition for the North of England.</p>	<p>1. TfN’s Economic Recovery Plan, including the “quick win” programme, has been issued to the DfT’s Acceleration Unit and TfN continues to liaise with the Unit.</p> <p>2. Messaging and communications will continue to promote safe use of public transport and protect services for key workers in line with Government guidelines.</p> <p>3. Rail North Committee has endorsed a Roadmap to Recovery. The team is working with train companies, identifying ticketing/marketing/offers to rebuild confidence, attract passengers back, and entice new passengers when appropriate.</p>	9
<p>Issue: Delayed publication of the Williams Review - The coronavirus pandemic has meant DfT has had to focus its resources on response. This has led to the continued delay in the publication of the Williams Review. TfN had planned to provide a response to Williams as a KPI for this financial year, however this will no longer be possible. In parallel, franchise agreements have been replaced with alternatives.</p>	<p>1. TfN will continue to make the case for reform that supports the North’s ambitions and will respond to the Williams White Paper once published.</p> <p>2. To mitigate the risk further, TfN is working with partners and external consultants to shape our response when the White Paper is published.</p> <p>3. TfN continues to work with Rail North Partnership to shape the delivery commitments for the new service agreements.</p> <p>4. To mitigate delays, TfN is working with partners to begin preparatory work in advance of expected publication in Q1 2021/22.</p>	8

Programme and Look Ahead

- Support, monitor and help shape the industry response to Covid-19 and, when appropriate, to rebuild services, passenger demand and confidence.
- Work with operators for further timetable changes including May 2021.
- Working through the Rail North Committee and TfN Board, consider the outcome of the Manchester Recovery Task Force consultation and identify the right infrastructure enhancements for Manchester.
- Develop proposals for addressing network gaps linked to the Long-Term Rail Strategy (LTRS) and produce a delivery plan for the TfN Stations Strategy.
- Continue to support TfN input and response to the Integrated Rail Plan.
- Continue to work closely with DfT and Network Rail to secure successful delivery of the TRU project objectives.
- Begin the process to seek funding from the Rail Network Enhancement Fund to undertake a pan-Northern Theoretical Line Speed analysis to identify the line speed capability of railway assets.
- Continue to work with TransPennine Express, Northern and Network Rail to identify interventions that will improve the reliability and resilience of the rail network and inform TfN’s Reliability Delivery Plan.

Operations Summary

Monthly Introduction

Operational colleagues during February have focused on; communications teamworking to promote and engage in the Manchester Recovery Task Force services consultation; Finance and Procurement have continued working on business planning and budgeting and developing a long-term procurement strategy; Legal and Democratic are continuing to hold virtual public meetings while monitoring developments around being able to continue these beyond May if necessary; Strategy continues the development of the Decarbonisation Strategy, Freight and Logistics Strategy, and the roadmap to the revised Strategic Transport Plan (STP); and TAME continues their work on models including NoRMS, NELUM and NorMITS to fulfil the requirements of programmes including NPR and IPBA.

Activity Update

Summary updates on key actions from TfN operational teams are as follows:

Stakeholder Engagement & Communications Team (SECT)

- SECT has been promoting TfN's activity across external and internal channels, proactively where possible.
- This month has included promotion of the statutory advice to Government on the preferred Northern Powerhouse Rail network, including proactively with the media and on social media.
- TfN received significant media interest in proposed budget reductions. However, due to the nuanced issues in the budget, where the plan is to have a budget spending more next year than we have spent this year, we chose not to issue an external response.
- TfN has continued to promote and actively engage in the Manchester Recovery Task Force services consultation, including facilitating roundtables with officers and TfN Members.
- The team has also proactively taken part in communications on industry updates, including input into media releases by Highways England on key schemes in the North.
- External content and messaging has maintained a focus on evidence-led investment decisions and TfN preferences, including but not limited to coverage of TfN February Board meeting; promotion of TfN's Future Travel Scenarios; a look ahead to infrastructure commitments in the Budget; and links to the rail services consultation.
- Channels have also signposted important corporate and project updates to key audiences, including promoting the recruitment of a new TfN Chief Executive (whilst the vacancy was open), and the start of works on the Transpennine Route Upgrade.
- Plans to proactively promote the start of ground investigation work on the Leeds to Hull route of Northern Powerhouse Rail have been put on hold

until after publication of the Integrated Rail Plan, whilst work is underway on the external business plan to be published in April and the launch of public consultation on the Decarbonisation Strategy, anticipated to be launched in May/June 2021.

The team has continued to roll out regular internal communications, including in support of the ongoing business planning process for 2021/22. This has included updates regarding the way forward on IST and implementation of the programme closure plan.

Finance & Procurement

- The Finance team, supported by procurement, has been focused on business planning and the preparation of the 2021/22 budget that will be provided to the 24 March Board. It is also engaged with DfT and the NPR Programme team to finalise TDF funding arrangements for the remainder of 2020/21 and 2021/22.
- The Procurement team is working closely with TAME/NPR colleagues to manage the procurement pipeline and develop the long-term procurement strategy for the coming year and beyond. In addition, a number of procurements/contract extensions have been awarded, including Mobile Device Data, NorMITS Demand Partner, and the IPBA support contract.
- The implementation and roll-out of TfN's new risk management software is underway.

Legal & Democratic

- Virtual public meetings continue to be held; the TfN Constitution includes formal procedure rules for this purpose. Regulations allowing virtual meetings are currently due to expire on 6 May 2021. Lawyers in Local Government (LLG) has obtained legal advice that secondary legislation is already available and/or existing legislation would be sufficient to extend beyond 6 May; LLG is seeking a declaration from the courts to secure confirmation that virtual meetings to remain a choice after 6 May. A report to Board on 24 March will address future options.
- The TfN Modern.Gov website, system and "restricted app" are all now in place and working well and further benefits of the system are being explored for future introduction. The team continues to support procurement governance and provide general legal advice across a wide range of areas within TfN.

Strategy, Policy, Economics & Research

- Development of TfN's Decarbonisation Strategy continues on track to be submitted to the March TfN Board meeting. An initial draft of the strategy, including proposals for a pan-Northern carbon trajectory, was considered at the Partnership Board in February and garnered general support for its contents and direction. Board Members highlighted the need to emphasise the clear economic growth opportunities for the region through decarbonisation (clean growth), within the strategy. The final elements of the strategy looking at clean growth opportunities and decarbonisation

policy analysis, are now complete, and inputs are being incorporated in time for March TfN Board.

- In relation to the evolving Decarbonisation Strategy, separate engagement sessions have been undertaken with the electricity Distribution Network Operators (DNOs) and representatives from the Environmental Transport Organisations (ETOs) and the Climate Change Committee (CCC).
- The tender for consultation support for the public consultation on the Decarbonisation Strategy is currently out for procurement, with confirmation of appointment dependent on the outcome of the March TfN Board.
- Partnership Board received a briefing on the Freight and Logistics Strategy in February 2021. The approach received a positive response from Members. Partner officers will receive the draft technical documentation for review in early March 2021. We will be seeking approval from a future TfN Board, with the intention to undertake a consultation from the summer of 2021.
- The team and the other English Sub-national Transport Bodies submitted a joint response to the DfT's Rural Mobility consultation which closed on 16 February.
- Work continues to map out a roadmap to a revised Strategic Transport Plan (STP) for publication in February 2024. Once the roadmap and programme are complete it will be agreed through TfN governance for early feedback from officers and Members.
- A proposed programme of work for 2021/22 is currently being developed to support and embed the Northern Transport Charter's (NTC) ambitions across TfN. Identified activities include scoping proposals for a citizens' panel, and piloting an Independent Audit/Assurance Group to provide Board with independent advice to support decision-making on key decisions. To oversee the NTC programme we intend to establish a new Member Working Group early in the new financial year.
- The Economics and Research team has started work on three new research projects which will play an important role in shaping the evidence behind our second Strategic Transport Plan:
 - Visitor Economy and Transport in the North of England (January – June 2021, working with Atkins and The Leisure Consultancy)
 - User Insight into Pan-Northern Travel - Phase 3 (February – August 2021, working with SYSTRA)
 - Transport-related Social Exclusion in the North of England (February – August 2021, working with Social Research Associates and Temple)

The Economics & Research team also continues to develop a Monitoring & Evaluation Strategy and Monitoring & Evaluation Framework for TfN, setting out processes for embedding a cycle of evidence-based policy-making within TfN's activities, and measuring progress towards the achievement of Strategic Transport Plan objectives. Draft versions of the M&E Strategy and Framework will be shared across TfN for feedback in March 2021 before being progressed through governance.

TAME (Technical Assurance, Modelling & Economics)

- TAME is busy scenario planning after the recent announcement of the delay to the NPR Strategic Outline Case (SOC). Key to this is identifying opportunities for further use of the Analytical Framework to support the case for NPR which come into scope with an extended timeframe.
- TAME's suppliers have delivered the updated Northern Rail Modelling System (NoRMS) iteration 2 model, which includes an updated modelled base year to represent 2018. TAME is now working with this model version in a period of verification testing and model assurance. TAME will work closely with the DfT to gain model acceptance, with the view that this version of NoRMS can be used in the forward SOC programme.
- The Northern Economy and Land Use Model (NELUM) is also being updated to represent a base year of 2018; and the update will bring NELUM in line with NoRMS iteration 2. The updated version of NELUM is scheduled to be available from the end of March; and will also be used within the forward SOC programme.
- TAME is further supporting NPR, providing modelling and analysis to feed into a series of individual business cases at NPR stations.
- TAME is currently on track to produce a version of the Analytical Framework which will be ready and fulfils the requirements for the start of the IPBA programme. TAME is working hard to further develop the Northern Model Integration Tools (NorMITS) to produce future year demand matrices for both NoRMS and the Northern Highway Assignment Model (NoHAM).
- TAME recently supported the Strategy team in delivering and presenting the Decarbonisation Strategy to TfN's February Board. Work is now underway to finalise the analysis and supporting narrative in the Decarbonisation Strategy to be presented at the March Board.
- TAME has worked with TfN Strategic Rail colleagues to forecast passenger benefits from a number of infrastructure interventions around Leeds station. Estimates have been generated using NoRMS iteration 2. Further work is planned in the coming weeks
- TAME is developing a plan for a major rail data collection exercise to support the NPR programme. This is likely to involve a number of station passenger counts and user interviews to build evidence on journey purpose, frequency of travel and attitudes to rail in a post-Covid environment.
- Good progress has been made in implementing TAME's procurement plan, with several substantial procurements for 2021/22 due to be released to the market in the first few weeks of March.

Financial Performance

Financial Update

Summary

Expenditure incurred in February: £4.98m

Variance to monthly budget: Underspend of £1.49m

Year to-date expenditure: £49.04m

Year to-date variance to budget: Underspend of £6.67m

Headlines

- February figures continue to be monitored against the Revision 2 budget.
- Underspend to date is driven by reduced programme activity, primarily on the NPR programme.
- The Core operational underspend reflects the effects of the pandemic and the uncertain funding environment in which TfN has been operating for most of the financial year.

Programmes:

- Expenditure of £4.39m represented an underspend of £1.13m (20%) in the month. YTD expenditure of £42.68m, an underspend of £5.39m (11%).
- The main driver of underspend continues to be the NPR programme.

Integrated & Smart Travel:

- Programme-wide expenditure of £0.50m represented an overspend of £0.03m in the month. On a YTD basis, expenditure of £8.2m resulted in an underspend of £0.65m (8%), as a result of the factors set out below:
 - Phase 1 expenditure of £0.3m in the month represented an overspend of £0.03m due to the rephasing of some costs. Expenditure remains under budget on a YTD basis reflecting some savings and unrequired use of contingency.
 - There has been minor rephasing of expenditure in Phase 2. YTD expenditure is £0.05m ahead of budget.
 - As a result of IST funding decisions, expenditure in the programme team and Phase 4 continues to be lower than forecast.

Northern Powerhouse Rail

- Expenditure of £3.84m represented an underspend of £1.12m (23%) in the month. YTD expenditure of £34.03m is 12% under budget.
- Underspend continues to reflect revised forecasts and a lower level of activity as a result of uncertainty pending the publication of the IRP. These underspends are set out in greater detail below:

- Network Rail underspend to date of £2.6m (10%).
- Modelling underspend to date of £0.45m. Underspend includes customer and travel survey work which has been postponed due to Covid-19.
- A YTD underspend of £1.49m (20%) in other programme development areas is driven by a revised cost and activity schedule for survey work and, early contractor engagement activity which has not been taken forward at this stage.
- Programme support costs to date are within 2% of budget.
- There is a YTD underspend of £0.04m in communications and stakeholder engagement activity, as no commitment has been granted by DfT for this activity.

Strategic Development Corridors (SDC)

- YTD expenditure of £0.48m has resulted in an underspend of £0.12m. This reflects some delays to contracting as a result of a reduced funding allocation and consequential delays to business planning. However, this is now progressing. The postponement of publication of the Major Roads Report has also led to reduced communications and stakeholder engagement costs.

Operations:

Rail Operations

- YTD expenditure of £1.99m represents an underspend of £0.18m (8%). This is driven by several vacancies in the team, in addition to a lower than expected run rate on consultancy expenditure.

Operational Areas

- YTD expenditure is £4.37m, which represents an underspend of £1.10m.
- This reflects a number of areas of savings and slippage, identified since the adoption of the Revision 2 budget, both as a result of the on-going pandemic and due to funding uncertainty following the postponement of the comprehensive spending review.
 - £0.42m of underspend in the Strategy & Policy area, a combination of delayed activity and savings.
 - £0.13m saving on the ERP development contract in relation to the flexitime module.
 - £0.14m underspend on ICT and accommodation, including the postponed Covid-related office redesign.
 - £0.13m underspend on communications and stakeholder engagement due to all engagement taking place virtually.
 - £0.13m underspend in Finance, due to reduced external support costs.
 - £0.08m underspend in HR, due to reduced travel pass costs and recruitment fees.

Activity Dashboard

TRANSPORT FOR THE NORTH FINANCE DASHBOARD					PERIOD BUDGET CYCLE	11 REVISION 2	FEB 2020/21	
PERIOD ACTUALS VERSUS BUDGET								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£0.50	£0.47	£-0.03	-5%				
Northern Powerhouse Rail	£3.84	£4.96	£1.12	23%				
Major Roads	£0.05	£0.09	£0.04	41%				
Programmes	£4.39	£5.52	£1.13	20%				
Rail Operations	£0.20	£0.23	£0.03	11%				
Operational Areas	£0.39	£0.73	£0.34	46%				
	£4.98	£6.48	£1.49	23%				
PERIOD ACTUALS VERSUS BUDGET: PROGRAMMES								
	Actuals £m	Budget £m	Var. £m	Var. %				
IST: Phase 1	£0.30	£0.27	£-0.03	-13%				
IST: Phase 2	£0.05	£0.04	£-0.01	-14%				
IST: Phase 3	£0.00	£0.00	£0.00	-				
IST: Phase 4	£0.01	£0.01	£0.01	53%				
IST: Programme	£0.14	£0.15	£0.01	5%				
Northern Powerhouse Rail	£3.84	£4.96	£1.12	23%				
Major Roads	£0.05	£0.09	£0.04	41%				
	£4.39	£5.52	£1.13	20%				
YEAR TO-DATE ACTUALS VERSUS BUDGET								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£8.20	£8.83	£0.63	7%				
Northern Powerhouse Rail	£34.00	£38.65	£4.65	12%				
Major Roads	£0.48	£0.60	£0.12	19%				
Programmes	£42.68	£48.07	£5.39	11%				
Rail Operations	£1.99	£2.17	£0.18	8%				
Operational Areas	£4.37	£5.47	£1.10	20%				
	£49.04	£55.72	£6.67	12%				
YEAR TO-DATE ACTUALS VERSUS FORECAST TO OUTTURN								
	Actuals £m	F/cast £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£8.20	£8.71	£0.51	6%				
Northern Powerhouse Rail	£34.00	£42.02	£8.02	19%				
Major Roads	£0.48	£0.55	£0.07	13%				
Programmes	£42.68	£51.28	£8.60	17%				
Rail Operations	£1.99	£2.31	£0.32	14%				
Operational Areas	£4.37	£5.27	£0.90	17%				
	£49.04	£58.86	£9.82	17%				
FUNDING YEAR TO DATE					FUNDING FORECASTS TO OUTTURN			
Funding Stream	Actuals £m	Budget £m	Var. £m	Var. %	Actuals £m	F/cast £m	Var. £m	Var. %
TDF - Rail	£33.13	£37.78	£4.65	12%	£33.13	£41.07	£7.94	19%
IST - Capital and Revenue	£8.20	£8.83	£0.63	7%	£8.20	£8.71	£0.51	6%
Core Grant	£6.31	£7.64	£1.33	17%	£6.31	£7.52	£1.21	16%
Rail North Grant & Contributions	£1.19	£1.21	£0.02	2%	£1.19	£1.30	£0.11	8%
TDF - Roads	£0.00	£0.00	£0.00	-	£0.00	£0.00	£0.00	-
Trading Income	£0.22	£0.25	£0.04	15%	£0.22	£0.26	£0.05	18%
	£49.04	£55.72	£6.67	12%	£49.04	£58.86	£9.82	17%

HR Update

Human Resources Update

Salaried Establishment as at **5 March 2021**

Established Permanent/Fixed-term Posts

Area	Permanent Posts (Over 2 years)	Fixed-term Posts (Up to 2 Years)	Total Establishment
CEO Office	2 (2.00 FTE)	-	2 (2.00 FTE)
Support Services	29 (28.32 FTE)	6 (6.00 FTE)	35 (34.32 FTE)
Operational & Delivery	91 (89.10 FTE)	38 (37.60 FTE)	129 (126.70 FTE)
Total Establishment	122 (119.42 FTE)	44 (43.60 FTE)	166 (163.02 FTE)
Strength (in post)	103 (101.10 FTE)	26 (25.60 FTE)	129 (126.70 FTE)
Appointed (start date pending)	0 (0.00 FTE)	0 (0.00 FTE)	0 (0.00 FTE)
Active/Pending Recruitment	2 (2.00 FTE)	0 (0.00 FTE)	2 (2.00 FTE)
Vacant – On-hold	17 (16.32 FTE)	18 (18.00 FTE)	35 (34.32 FTE)

Chief Executive Recruitment – a total of seven candidates have been shortlisted, with the final selection event scheduled to take place on 22 March 2021. Barry White leaves TfN on 15 May 2021 (his last working day will be on or around 20 April 2021).

Agency Resource - Covering Vacant Established Posts

Area	Posts (FTE's)
Support Services	2 Post (2.00 FTE)
Operational & Delivery	2 Posts (2.00 FTE)
Total	4 Posts (4.00 FTE)

Consultancy Resource - Covering Vacant Established Posts

Area	Posts (FTE's)
Support Services	0 Post (0.00 FTE)
Operational & Delivery	10 Posts (9.80 FTE)
Total	10 Posts (9.80 FTE)

HR Metrics – 2020/21 Year to Date

Corporate Sickness Level:	2.7%
Employment Policy Application:	5.4%
Employee Turnover (Voluntary Leavers):	9.3%
% of Employees from an Ethnic Minority Background:	15%
% of Employees declaring a Disability:	12%
Gender Mix - % of Female Employees:	40%
% of Male Employees:	60%

KPIs

Key Performance Indicators

Transport for the North's Key Performance Indicators (KPIs) are outlined in the published Business Plan for 2020-21. The below table outlines the programme and organisational KPIs and provides a summary of the year-end position.

Key	Number of KPIs with this status
Achieved	4
On Track	4
In Progress	2
Delay	2
Delay – beyond this year end (BTYE)	4

Area	KPI	Detail	Progress	Status
Corporate	1	Agree with Government the phasing and prioritisation of the Integrated Rail Plan for High Speed North. December 2020	Delay TfN has submitted further statutory advice to Government on the Integrated Rail Plan. The IRP was expected to be published in December but is now expected no earlier than March 2021.	
Northern Powerhouse Rail	2	Agree and submit Strategic Outline Case to Government. January 2021	Delay BTYE TfN Board (18 Feb 21) agreed to the request from DfT that the completion and submission of the Strategic Outline Case (SOC) be rephased so that it can be preceded by the publication of the Integrated Rail Plan. As such, the scheduled completion date of March 2021 will not be achieved.	
Integrated and Smart Travel	3	Complete the delivery of the Integrated and Smart Travel on Rail Project (Phase 1). November 2020	Delay MerseyRail has completed installation of PVal's at all 66 stations. Northern is still on schedule to complete this financial year, with residual items outstanding. The highest delivery risk is the successfully upgrading gates at Manchester stations and Bradford Interchange. The upgrades were delivered in February 2021, but require bug fixes and further testing.	
Integrated and Smart Travel	4	Complete the delivery of Phase 2 of the Integrated and Smart Travel programme (informed customers). March 2021	On Track The Phase will meet the KPI. The project which delivered the Fares Tool to DfT closed in January 2021. DMT (Disruption Messaging Tool) and ODH (Open Data Hub) are in Business As Usual. All development work has been completed.	
	5		Delay BTYE	

Integrated and Smart Travel		Agree a plan for the delivery of contactless payments on rail, in collaboration with the DfT and Rail Delivery Group (Phase 3). December 2020	The IST programme will not receive DfT funding to introduce contactless payments on rail in the short/medium terms. DfT has indicated that they see this being delivered through rail reform at a national level.
Major Roads	6	Agree and approve the Transport for the North Major Roads Report. March 2021	Delay BTYE The technical report has been completed. The publication of the final Major Roads Report has been postponed so the report can take account of both the TfN Decarbonisation Strategy, and DfT's delayed Transport Decarbonisation Plan. This will not have any negative implications for other programmes.
Strategic Rail	7	Implement the recommendations in the Blake-Jones review. June 2020	Achieved The Blake-Jones Action Plan was approved at Rail North Committee in July 2020 and the team continues to embed the actions into the business as usual operating model. There are longer-term issues on funding for additional resource, and a response is awaited from DfT.
Strategic Rail	8	Develop a TfN response to the Williams Review. Within three months of publication	On Track We are ready to do this but are waiting for the Williams Review to be published and this task will be carried over into next year.
Strategic Rail	9	Support the industry and Rail North Partnership in the response to and recovery from Covid-19, including a strong focus on the needs of passengers and businesses, together with the short-term investment needed to support the recovery. March 2021	In Progress Strategic Rail is proactively supporting the industry through the crisis and recovery, for example through the Rail North Officer Group (Operations). A plan to support the economic recovery by investment in infrastructure has been developed and submitted to DfT as part of the TfN Economic Recovery Plan and work has been completed on developing a "quick win" programme which has been shared with the DfT's Acceleration Unit.
Investment Programme	10	Update and refresh the TfN Investment Programme, based on an agreed Assurance Framework and using the outputs of the SDC Qualitative Sequencing process. September 2020	Achieved The update of the Investment Programme following the qualitative sequencing process, and applying the developing Assurance Framework, has been achieved.
Strategy	11	Develop a Decarbonisation Strategy for approval by the TfN Board and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	On Track The draft strategy will be presented to TfN Board on 24 March. The underpinning analysis is complete and ready to be applied in the Investment Programme Benefits Analysis work starting in April.

Strategy	12	Develop an inclusive and sustainable growth framework that will sit alongside the Strategic Transport Plan and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	In Progress Following completion of KPI 16, TfN has developed the necessary Analytical Framework and supporting tools, scenarios and modelling capability to embed inclusive and sustainable growth into the assessment of the Investment Programme due to commence in April 2021.
Strategy	13	Develop a Freight Strategy for approval by the TfN Board and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	Delay BTYE Work on the TfN Freight Strategy is nearing completion and has been circulated to partner officers for review. The supporting evidence requires confirmation of HS2 plans through the IRP (expected in March) before the final strategy can be put to Board for approval.
Modelling and Analysis	14	Complete and deploy the Analytical Framework throughout TfN's programmes. March 2021	On Track Substantial progress has been made in preparation of the Analytical Framework for NPR and IPBA programmes, with the programme of activities to March 2021 fully mapped. Delivery is still subject to risk, as evidenced by the recent change to the NPR open-year assumption which creates a number of remedial tasks. These risks are being proactively managed by TAME programme leads.
Organisation	15	Develop and provide a Comprehensive Spending Review submission to Government. At date set by HMT	Achieved A CSR submission was provided to the DfT on 28 August in line with departmental deadlines. On 21 October the Chancellor announced a revised one-year process to conclude at the end of November. TfN submitted a supplemental SR submission to the Department, reflecting the move to a single-year settlement, on 6 November.
Organisation	16	Develop and adopt the Northern Transport Charter. June 2020	Achieved The team completed work on the remaining Northern Transport Charter (NTC) proposals which were endorsed and adopted by the Board in July. There is now ongoing follow-on work about how to embed demonstrating TfN's capability for greater devolution in next year's business plan.



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