

# Scrutiny Committee Minutes

**Thursday 04 March 2021**

**Present:**

<b>Attendee</b>	<b>Local Authority</b>
Cllr David O'Hara	Blackpool;
Cllr Laura Crane	Cheshire East;
Cllr Andrew Cooper	Cheshire West & Chester;
Cllr Neil Hughes	Cumbria;
Cllr Roger Jones	Greater Manchester Combined Authority;
Cllr Sean Chaytor	Hull;
Cllr Matthew Salter	Lancashire;
Cllr Patrick Mckinley	Liverpool City Region;
Cllr Mark Walsh	North East Combined Authority;
Cllr John Davison	North Lincolnshire;
Cllr Carl Johnson	North of Tyne Combined Authority;
Cllr Steve Parish	Warrington;
Cllr Kim Groves	West Yorkshire Combined Authority;
Cllr Stephen Fenton	York;

**Officers in Attendance:**

<b>Name</b>	<b>Job Title</b>
Gary Rich	Democratic Services Officer
Dawn Madin	Director of Business Capabilities
Tim Foster	Interim Strategy & Programme Director
Jeremy Acklam	IST Director
Rosemary Lyon	Legal and Democratic Services Officer
James Lyon	Legal Assistant
Peter Molyneux	Major Roads Director
Tim Wood	Northern Powerhouse Rail Director
Peter Cole	Principal Environmental & Sustainability Officer
Lucy Hudson	The Principal Policy Officer for freight and logistics
Salim Patel	Rail North Programme Manager
Deborah Dimock	Solicitor

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

- 1.1      The Chair welcomed all in attendance and informed Members that the meeting is being streamed live. Apologies were received from Cllr Furneaux.

**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 held on 9 December 2020 were considered and their accuracy as a correct record confirmed. The minutes were proposed by Cllr Davison and seconded by Cllr Haslam.
- 3.2      A typographical error was highlighted in 5.7 and that the minute should read 'one freight train an hour' rather than 'what'.

**Resolved:**

That subject to the change noted in 3.2 the minutes of the meeting held on 9 December 2020 be approved as a true and accurate record.

**4.      2021/22 Funding Update & Draft Business Planning**

- 4.1      Members received the report from the Finance Director and the Interim Strategy and Programme Director. The Finance Director and the Interim Strategy & Programme Director shared a presentation with Members and provided background on the current situation. The Finance Director explained that normally he would be sharing a more detailed Business plan at this stage, but this has not been possible this year due to the late commencement of the process that was caused by the delayed receipt of TfN's funding allocation for 2021/22.

He noted the reduction in the Core funding allocation, but noted that an agreement has been reached with the Department to recharge some costs from core funding allocation into the NPR programme, therefore easing the core funding position. This, supported by releases from brought forward reserves, has allowed a core budget to be developed that supports Member aspirations. This had been tested through the Member Working Group established at the January Board to support business planning.

He highlighted the uncertainty that has been created for the NPR Programme by the delayed Integrated Rail Plan (IRP) and the re-phasing of the Strategic Outline Case delivery to TfN Board. It was noted that depending on its timing and substance, the release of the IRP might lead to the requirement for significant revisions to TfN's business plan and budget.

- 4.2 Cllr Hughes talked about the reserves and asked what the meaning of the reference to transition costs in the report.

The Finance Director explained that this referred to money that may be required if the organisation needed to restructure, which he believed would now not need to happen.

Cllr Hughes asked if this money could be returned to the reserves if not spent. The finance Director explained that if there is an underspend against the budget envelope then this money will be returned to the reserves. The Finance Director highlighted the fact that the Government had raised concerns about the level of reserves that were being held and this was part of the rationale for the cut in funding. He further explained that Members had approved the release of reserves to support proposed activity at the February board meeting.

- 4.3 Cllr Jones asked if there was a chance that the Government can be persuaded not to make a 40% cut.

The Finance Director explained that the Government has made clear that the position remains in accordance with the funding letter on 4 January and that the budget needs to be set within these parameters. He explained that it is likely that a Comprehensive Spending Review (CSR) submission will need to be developed and presented to Government later in the year.

- 4.4 Cllr Davison highlighted the fact that the report makes no mention of HS2 and promoting its construction and its importance to NPR as well as freight and the decarbonisation agenda.

In response the Finance Director explained that the focus of the report was principally in relation to the core funding. The Interim Strategy and Programme Director explained that when the Business plan is published those important connections to HS2 will be made.

- 4.5 Cllr Groves raised the issue of IST and what plans there are to work with partners on this programme going forward. Highlighting the Northern Transport Charter (NTC), she wanted to understand the range of measures that are in place to ensure that it is delivered. She requested that Government be challenged on why Blake Jones and the Williams Review have not yet been published.

On the issues of the NTC the Interim Strategy and Programme Director explained that TfN's policy development work on both the NTC and Strategic Transport Plan is being strengthened and clear monitoring and evaluation processes are being put in place.

He also explained that the Williams Review and the Integrated Rail Plan are expected imminently but no specific dates have been given, which is impacting on business planning.

- 4.6 Cllr Chaytor questioned whether revisions to Government funding are required. He highlighted the issue of electrification and suggested that this should go further following the announcement on Freeports and suggested that this should also be going out as far as the South Bank well. He suggested that this could be picked up within projects.

The Interim Strategy and Programme Director stated that the question on Freeports would be addressed during the Freight agenda item. He explained that the freeport element would be addressed as part of the Freight Strategy.

- 4.7 Cllr Hughes asked if there is any user group representation on the Rail North Committee and believes that Scrutiny should be pushing for this if there isn't.

- 4.8 Cllr Walsh expressed his frustration about the lack of funds for projects and the impact that downscaling will have across the region.

The NPR Director explained to Members that the full Leamside line reopening forms part of the TfN preferred network and the Government has been provided with statutory advice on this. On the issue of freight connectivity and electrification of the line between Hull and Leeds NR have allowed enough power to be available from the supply point to electrify to the Port, while this work does not form part of the NPR scope it could become part of a further package of work for such a short distance allowing Electric freight in and out.

### **Resolved:**

- 1) That the report be noted
- 2) That the Scrutiny Committee's comments be noted on the priorities and emerging proposals for the operational teams and IST and NPR programmes set out in Section 4 and this report more broadly and that the comments be taken into consideration and fed into the TFN Board reports.

## **5. Manchester Recovery Task Force**

5.1 Members received the report on the Manchester Recovery Task Force. The Rail North Programme Manager highlighted key areas of the report before taking questions and comments from Members.

5.2 Cllr Parish stated that this issue affects the whole of region and that he is also sceptical about the modelling. He explained that the current plans are not good for Warrington. He added that Warrington now has a new station with a franchise commitment for three trains an hour which was then reduced to two an hour and there had been room for the extra train but the modelling suggested that this couldn't happen as it would cause delays in Manchester which he believes to be incorrect.

He further highlighted that part of Manchester Airport's planning consent was granted on the condition that they increase public transport use and the proposals will come as a blow to that.

He expressed his belief that reducing services is marginal and it will not make a great deal of difference as there will still be delays because of delays elsewhere on the system. He also highlighted the issue of fewer trains leading to overcrowding on the platforms. He added that extra trains would be run during peak times which is when delays are most likely to occur.

Cllr Parish suggested that when there are trains running late then these should be kept off the Manchester corridor and that freight trains should stop being directed through Oxford Road at peak times.

The Rail North Programme Manager commented that the ideas were good and asked for these to be included in the consultation response. On the issue of modelling he stated that micro-simulation has been used which is far more advanced than previous models used and this is a model made specifically for the Manchester area. He also stated that this is an interim measure until infrastructure has been put in place.

5.3 Cllr Cooper highlighted the difficulties in making choices and that there are conflicting benefits in each authority as to which option is best.

The Rail North Programme Manager explained that everyone wants to maintain their services but this is not possible at the moment and that the decision needs to deliver the best option for the majority of passengers.

5.4 Cllr Chaytor suggested moving freight on to night services.

The Rail North Programme Manager explained that this is the subject of an ongoing conversation between Network Rail and the freight companies; however the freight companies have "grandfather rights" on

some of the routes and an alternative would need to be found. He hoped that there would be progress on this in the next couple of years.

- 5.5 Cllr Hughes asked what baseline is being used to calculate the proposals to relieve the congestion.

The Rail North Programme Manager answered that it is being assessed against December 2019 timetable.

**Resolved:**

- 1) That the report be noted;
- 2) That the recommendations made by the Scrutiny Committee Members be noted.

**6. TfN's Freight Strategy - Update on Activity**

- 6.1 Members received the report on the Freight Strategy from the Strategy and Programme Director. The Principal Policy Officer for freight and logistics then highlighted the key points in the report. She explained that the Freight Strategy will be a document that can be used to provide strategic advice to Government. She highlighted that much of the work being done is identifying gaps on the network in order to quantify the benefits or disadvantages that the freight industry is experiencing.

The Principal Policy Officer for Freight also addressed the issues of Decarbonisation, Modal shift and Freeports.

On the issue of Decarbonisation she addressed the issues of decarbonisation on the roads and the rail network. Regarding modal shift she explained that this will have a key focus in the strategy; however there are a number of things still currently unknown, specifically in the demand data.

On Freeports the Principal Policy Officer for Freight expressed delight to see the Government's announcement in the Budget on these.

- 6.2 In relation to section 4.9 of the report the Chair requested that more should be added around the quantity and quality of the freight lines.
- 6.3 Cllr Hughes suggested the possibility of the Stainmore line reopening as this could be a good line for freight to use.

The Principal Policy Officer for Freight explained that she is looking for things that a business case can be delivered on and when presenting ideas to Government the lists needs to be short and believable. Got to be realistic and targeted. Network rail doing a detailed piece of work.

- 6.4 Cllr Chaytor highlighted the reconnection of the Minsters line as a possible solution for getting freight across the Pennines. However he believes that electrification in and out of the ports, out of Hull, Immingham and Grimsby docks is of crucial importance.

**Resolved:**

That the Committee note progress and timescales outlined in the report.

**7. Decarbonisation Strategy**

- 7.1 Members received the report on the Decarbonisation Strategy from the Interim Strategy and Programme Director. The Principal Environmental & Sustainability Officer then highlighted the key points in the report and his presentation.

- 7.2 The Chair asked whether targets for modal shift will be included in the strategy such as policy commitments and modal shift figures.

The Principal Environmental & Sustainability Officer explained that targets will be included in relation to policy commitments for example demand reduction figures.

- 7.3 Cllr Groves asked if there is any work running parallel to the strategy assessing carbon on transport schemes.

The Principal Environmental & Sustainability Officer explained that embodied carbon is not currently included within the trajectory; however firmer commitments have been made by TfN within the strategy in relation to TfN-led schemes.

- 7.4 Cllr Fenton asked how Local Authorities can help support modal shift.

The Principal Environmental & Sustainability Officer explained that the Strategy will have some guidance around level of change around modal shift which have been tested in terms of potential for emissions reductions by our consultants. He also highlighted the risks and issues on electric vehicles.

**Resolved:**

- 1) That the report be noted;
- 2) That the Committee notes the progress made and agrees to TfN continuing the preparation of its Decarbonisation Strategy, utilising the recommended provisional Decarbonisation Trajectory, and incorporating a close to zero date in advance of 2050 with a view to agreeing both at TfN Board in March 2021.

## **8. Exclusion of Press & Public**

Resolved that the public be excluded from the meeting during consideration of Item 9 on the grounds that:

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.

## **9. Northern Powerhouse Rail Update**

- 9.1 Members received the report from the NPR Director who then took questions and comments from Members on the report.

### **Resolved:**

That the report be noted.