

Meeting: Transport for the North Chief Executive Consultation Call (Board)

Subject: Spending Review Planning

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Sponsor: Tim Wood, Chief Executive

Meeting Date: Tuesday, 27 July 2021

1. Purpose of the Report:

- 1.1 The government has said that it will hold a spending review (SR21) later this year. The scope and timetable for the spending review are not known at the time of preparing papers for Board.
- 1.2 As in previous years, TfN will be required to submit a bid for funding and the organisation's funding allocation for the next financial year and subsequent financial years will continue be determined by DfT. This therefore means that TfN is required to align its processes with departmental timelines and requirements.
- 1.3 Given the uncertainty around infrastructure investment, the government's fiscal position and the uncertainty over TfN's future role, officers have commenced preparatory work on SR21 planning, using the Northern Transport Charter Member Working Group as an informal sounding board.

2. Recommendations:

- 2.1 Board is asked to note the likely timetable for the spending review, and the likely need to engage with Board members in advance of the Board meeting in September.

3. Main Issues:

- 3.1 At the March Budget Statement, the Chancellor indicated his intention to hold a spending review later in 2021. No further detail on scope or timing is currently available but is expected imminently. If details are published in advance of the 27th July 2021 call, an addendum will be added to this paper.
- 3.2 The 2020 process was announced by the Chancellor on 21 July 2021, with our submission requested by DfT in early September 2021. It is likely the Treasury will announce a similar timetable which leaves limited time to consult with Board members.

- 3.3 In the paper to the June 2021 TfN Consultation Call, TfN recommended a broader approach than was taken to the 2020 spending review, making the broadest possible case for transport investment in the North, alongside the specific financial asks for TfN as a body. A broader approach is an essential part of securing a successful outcome for the North.
- 3.4 TfN will therefore seek to present an overarching financial submission that is based on the delivery of the Strategic Transport Plan and the associated investment pipeline that includes programmes and projects from across the North, including Northern Powerhouse Rail (NPR).
- 3.5 The Board have agreed the following objectives for a successful SR21 outcome:
- Progressing the Northern Infrastructure Pipeline and key infrastructure asks to support the economic recovery, building from the projects identified in the TfN Economic Recovery, including:
 - Continuing to accelerate Northern transport projects already close to delivery where work can start this parliament.
 - Securing commitment to developing core infrastructure to be delivered after 2025 with a strong focus on rail, freight, decarbonisation and local connectivity.
 - Securing commitment to NPR and HS2 and other major schemes if not already confirmed through the Integrated Rail Plan.
 - An agreed approach with DfT (and with government) on opportunities for wider collaboration on transport decisions, building on the collaborative approach we are pursuing on the Manchester rail network.
 - Securing clear commitment in the Levelling Up White Paper to further devolution of transport funding and powers in line with the Northern Transport Charter.
 - Ensuring TfN has sufficient resource to deliver its core mission to on make the case for transformational, sustainable and inclusive pan Northern transport investment. Securing the future of the organisation through a multi-year settlement for TfN would enable us to plan our work with certainty and move to a more efficient operating model.
- 3.6 Officers have continued to make progress against these priorities and develop the spending review submission. Planning specific activities has been challenging given the ongoing uncertainty on the publication of the Integrated Rail Plan, Transport Decarbonisation Strategy and the timetable for the spending review.

- 3.8 The infrastructure spending asks of government are already agreed with the Board through the Economic Recovery Plan and Northern Infrastructure Pipeline. We await confirmation of the Integrated Rail Plan before finalising the key road and rail asks for the submission.
- 3.9 The core component of the spending review submission will need to be determined by the requirements set by HMT and DfT. Once those details are known, TfN officers will develop the more detailed proposals for Board members to consider. Given the likely timing of the Spending Review this is likely to be by correspondence in late August or early September. We will continue to engage with and seek key steers from the member working group on the Northern Transport Charter.
- 3.10 Officers are also developing external communication plans alongside the formal submission. This will be integrated with the communications plan set out in the paper on the Northern Transport Charter.

4. Corporate Considerations:

Financial and Resource Implications

- 4.1 The TfN Finance Team have confirmed the financial implications of the contents of the report will be considered in the CSR submission.
- 4.2 The TfN HR Team have confirmed that the resource implications have been considered and set-out within the report.

Legal Implications

- 4.3 The TfN Legal Team confirm that there are no new legal implications for TfN as a result of this report.

Risk Management and Key Issues

- 4.4 A risk assessment is not required for this paper, however, risks relating to the Spending Review can be found in TfN's Corporate Risk Register.

Environmental Implications

- 4.5 The TfN Strategy Team confirm that no assessment has been undertaken at this stage because it is not required.

Equality and Diversity

- 4.6 The TfN Strategy Team confirm that no assessment has been undertaken at this stage because it is not required.

Consultations

- 4.7 A consultation has been undertaken with the TfN Board and included in this paper.

5. Background Papers

- 5.1 There are no background papers to this report.

6. Appendices

- 6.1 There are no appendices to this report.

Glossary of terms, abbreviations and acronyms used (<i>if applicable</i>)	
a) TfN	Transport for the North
b) DfT	Department for Transport
c) NPR	Northern Powerhouse Rail
d) HMT	Her Majesty's Treasury