
Meeting: Transport for the North Board

Subject: Rail Reform Matters – Responding to the White Paper

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Does the report contain information which has been identified as confidential or exempt as defined in S100A(2) of the Local Government Act 1972 (as amended) and/or is the information exempt as set out in Schedule 12A of the Local Government Act 1972 (as amended)?

- Yes**
- No** this report does not contain information identified as confidential or exempt.

1. Purpose of the Report:

- 1.1 This report provides an overview of how Transport for the North is responding to the Williams-Shapps White Paper, and how we are seeking to work collaboratively with the railway industry and the Great British Railways (GBR) Transition Team.
- 1.2 Transport for the North commissioned a supporting document (see Appendix) to help shape the response to the Williams-Shapps Plan; this document argues that the future relationship between Transport for the North and the wider railway industry should be based around four pillars which encapsulate Transport for the North's objectives and capabilities. Transport for the North's Scrutiny and Rail North Committees both endorsed the approach in their September meeting and consultation call respectively.
- 1.3 The document is intended to shape the restructuring of the railway industry in the North of England which will occur over the next few years as the Williams-Shapps Plan is implemented.

2. Recommendations:

- 2.1 Board members are requested to endorse the approach of building Transport for the North's future role in the railways around these four pillars:

1. Transport for the North as a strategic partner for Great British Railways;
 2. Transport for the North as the lead on multi-modal strategy and investment priorities for the North;
 3. Transport for the North as a provider of evidence, data and strategic insights; and
 4. Transport for the North as a unified voice for northern authorities, acting as the link between local devolution, integration and GBR's regions.
- 2.2 Further to initial positive discussions, it is proposed that Transport for the North and GBR Transition Team/ Network Rail work together to develop a proposition for joint working in the North of England under Great British Railways. Engagement has already commenced with the Great British Railways Transition Team. A workshop has also been scheduled with Network Rail's Strategy & Planning function to discuss the practicalities of co-ordinating long-term planning.
- 2.3 It is recommended that an item be added to the agenda of the November Transport for the North Board meeting for a joint report from the GBR Transition Team/ Network Rail and Transport for the North on future proposals for rail in the North.

3. Main Issues:

- 3.1 Transport for the North's Strategic Rail team have overseen the development of the response to the Department for Transport's White Paper titled *Great British Railways: The Williams-Shapps Plan for Rail*, which was published on Thursday 20 May 2021. The White Paper proposed the creation of a new body, Great British Railways, which will combine all of the functions of Network Rail with some powers transferred from the Department for Transport and the Rail Delivery Group. The key purpose of GBR is to provide a single focus of accountability in the railway industry. Train services will be provided by private operators under the terms of Passenger Service Contracts (PSCs). Although GBR will have significant control over timetabling and fares policy, the White Paper leaves open the possibility that local and regional authorities will have a role to play in the new structure.
- 3.2 The Board received a report at the 9 June 2021 meeting which highlighted Transport for the North's initial response to the White Paper and requested that this be developed into a fuller proposition for this Board meeting.
- 3.3 The contents of the response have been guided by three principal inputs to the document, namely:
- 1) Members previously expressed desire that Transport for the North's future role should be based around accountability to the

public, decentralisation of decision-making, transparency, and multimodal integration;

- 2) Building on Transport for the North's strengths, including our unique capability to undertake multimodal strategic planning at a pan-Northern level, focus on the economic benefits of East-West connectivity, support our analysis with cutting-edge modelling and a wide evidence base, and take forward lessons from our previous experience of representing our Northern partners and overseeing the region's two rail franchises; and
- 3) The output from a consultation exercise with partners authority officers, where a plausible scenario for the future delivery of rail investment and devolution of governance was developed.

Transport for the North will work with local partners to support greater local involvement and devolution appropriate to the needs of the area.

- 3.4 These inputs led to the development of a proposal for Transport for the North's future railway role as being based around these four pillars:

1st Pillar – Transport for the North as a strategic partner for Great British Railways: Given its existing capabilities, pre-existing relationships and the level of cohesion and trust that Transport for the North has built with Northern stakeholders, Transport for the North is well-placed to assist GBR in understanding the diverse requirements of the North, both from an operational and strategic perspective. GBR will also have specific powers and skills that can complement those of Transport for the North. There is therefore a strong case that Transport for the North can collaborate together with GBR on strategic issues through a formal relationship, and that GBR can deliver the rail element of Transport for the North's *Strategic Transport Plan*. It should be noted that Transport for the North's ability to be a strategic partner is not based purely on our capabilities in investment prioritisation, but also can be or has been demonstrated in crisis management (e.g. post-May 2018), timetable planning and spatial planning.

- 3.5 **2nd Pillar – Transport for the North as the lead on the multi-modal strategy and investment priorities for the North:** Working closely with local authority partners, Transport for the North can assess both preliminary funding requests and potential new projects to ensure that they adequately and appropriately fulfil the needs of Northern communities as a whole. Transport for the North can examine projects and proposals to avoid duplication and assess the role of different modes in meeting the overall transport task. In order to ensure effective prioritisation, Transport for the North will need greater budgetary oversight, in order to ensure that annual priorities are in line with available allocations at a given point in time.

- 3.6 **3rd Pillar - Transport for the North as a provider of evidence, data and strategic insights:** This will in turn inform evidence-based policy, enable information sharing (both between local authorities and with GBR) and break down silos between organisations. It will help avoid fragmentation particularly where bodies have overlapping boundaries and remits. Transport for the North's ability to provide technical support to local projects will shorten the timescales for project development, thereby reducing costs and realising benefits sooner. Crucially, Transport for the North can provide continuity in the evidence and knowledge base for the industry, mitigating the problem of lost wisdom when other organisations dissolve or restructure.
- 3.7 **4th Pillar – Transport for the North as a unified voice for northern authorities, acting as the link between local devolution, integration and GBR's regions:** Transport for the North will work with both small and larger devolved authorities and stakeholders to clarify, prioritise and bring to the fore the collective needs of various communities in the North. Transport for the North can act as the link between GBR and local authorities at different stages of devolution, particularly during the transition period. This will include providing a voice for communities and authorities who do not traditionally have strong buy-in from or interaction with central government. By using its convening power, Transport for the North can also bring stakeholders together to push against inertia in the system and move initiatives forward.
- 3.8 In order to build on the four pillars, strengthen the case for change, and develop the narrative for the vision of the future, some additional points have been made in the full response document. Some key elements which have been emphasised are:
- As GBR will be concerned with rail across the whole of Great Britain, and Transport for the North is concerned with all surface modes in the North of England, the area of overlapping concern should be aligned through ensuring that the Northern element of GBR's Whole Industry Strategic Plan and the rail element of Transport for the North's *Strategic Transport Plan* are substantially the same document;
 - Transport for the North and GBR will thus be able to build a strong mutually interdependent relationship, in which Transport for the North can help GBR develop the Whole Industry Strategic Plan, whilst GBR can deliver the rail element of Transport for the North's *Strategic Transport Plan*;
 - The oversight Transport for the North bring to operations through the Rail North Partnership can be built-upon for the new system of Passenger Service Contracts;
 - In some areas, it would be possible to devolve powers to local bodies more rapidly than the general reorganisation of the rail industry would imply. Local management of stations and their

environs is one such area and Transport for the North will work with local partners to support greater local involvement and devolution appropriate to the needs of the area;

- GBR and Transport for the North will not only collaborate on transport planning in the 30-year timescale (through the WISP and the STP), but will also co-ordinate their contributions to the decarbonisation agenda over the same time period;
- Smart ticketing remains a priority for the North. Transport for the North can draw on knowledge and experience from the previous Integrated and Smart Travel Programme and work with operators and local authorities to identify pilot projects and opportunities to integrate rail products with other modes including buses;
- Transport for the North can act as the holder of the regional evidence base, allowing our Analytical Framework and Appraisal Framework to act as the uniform standard for developing proposals; and
- Transport for the North will be able to reduce the cost of infrastructure not only by providing a robust cost challenge and sharing its insights, but by helping to co-ordinate enhancements with renewals workbanks and saving duplication of access and preparatory work (as demonstrated by the linespeed improvement programme).

3.9 Transport for the North's core strengths which can form the foundation of our future role include:

- Our Analytical Framework will underpin an emerging Appraisal Framework, which will standardise and thus speed up decision-making and project development across the North, enabling quicker realisation of benefits;
- Ultimately the success of "levelling up" and transformational growth will be measured in terms of land use change, and Transport for the North are in an ideal position with our Northern Economy & Land Use Model to forecast and monitor that; and
- Our convening and collaborating roles include work with Local Enterprise Partnerships (and thus the business community) and also building relationships with adjacent areas including Transport Scotland, Transport for Wales and Midlands Connect.

3.10 A dedicated Northern Region within Great British Railways would ensure maximum alignment, and Transport for the North has previously supported this reform. In 2016, the Government-sponsored *Shaw Report: The Future Shape and Financing of Network Rail* recommended the creation of a Network Rail route for the North, on the basis that it would bring a greater focus on improving the connectivity and performance of the rail network in the region. The

White Paper suggests that “For example, a new regional railway across northern England may be beneficial once Northern Powerhouse Rail transforms travel between major towns and cities across the Pennines.” Transport for the North will continue to make the case for a dedicated Northern Region to be implemented as quickly as possible. The industry structural change that will flow from the White Paper is likely to be the least disruptive way of implementing this.

- 3.11 Any additional funding required to implement the proposals set out in this report would need to be provided by the Government or GBR as part of the creation of the new industry structure, and this would need to be considered as part of the next steps.

4. Corporate Considerations:

4.1 *Financial and Resource Implications*

Transport for the North Finance Team has confirmed there are no financial implications. Dependant on the implementation of the GBR Target Operating model there may be structural, resource and skills implications for Transport for the North. This will be kept under review and the Board appraised as this matter evolves.

4.2 *Legal Implications*

Any legal implications are included within the report.

4.3 *Risk Management and Key Issues*

There are no risk implications arising from this report and thus a risk assessment is not required.

4.4 *Environmental Implications*

A full impact assessment has not been carried out because it is not required for this report.

4.5 *Equality and Diversity*

A full Impact assessment has not been carried out because it is not required for this report.

4.6 *Consultations*

Transport for the North’s partners have been informally consulted on our response to the Williams-Shapps Plan and will have the opportunity to provide further input to the case for change. The approach has also been considered by Transport for the North’s Scrutiny and Rail North Committees.

5. Background Papers

- 5.1 The supporting response document can be found on Transport for the North’s website at [Williams Shapps White Paper briefer \(002\).pdf \(moderngov.co.uk\)](https://www.moderngov.co.uk/Williams-Shapps-White-Paper-briefer-002.pdf)

6. Appendices

6.1 Appendix 9.1 – TfN Response to the Williams Review.

Glossary of terms, abbreviations and acronyms used (*if applicable*)

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| a) DfT | Department for Transport |
| b) GBR | Great British Railways |
| c) PSC | Passenger Service Contract |