
Meeting: Transport for the North Board
Subject: Northern Powerhouse Rail Co-Sponsorship
Author: Jonathan Brown, Strategic Rail Lead
Sponsor: Darren Oldham, Rail and Road Director
Meeting Date: Thursday 22 June 2023

1. Purpose of the Report

- 1.1 This report provides an update on the governance arrangements associated with Northern Powerhouse Rail and asks the Board to endorse the NPR co-sponsorship Memorandum of Understanding which formalises Transport for the North's role on the programme following publication of the Integrated Rail Plan.

2. Recommendations

- 2.1 That the Board endorses the NPR co-sponsorship Memorandum of Understanding.

3. Main Issues

- 3.1 The NPR Memorandum of Understanding (MoU) was debated at the Transport for the North Board meeting held on 23 March 2023. Board members were clear that they took the role of co-sponsor seriously and accordingly sought reassurances that the working arrangements proposed under the MoU would see Transport for the North have a meaningful role. In particular, Board members were anxious to ensure that the added value brought by using their perspective to shape the development of proposals, was recognised by the Department.
- 3.2 Subsequent to March 2023 Board meeting Transport for the North officials have made the Board's views clear to the Department. In particular, they have emphasised how the Board currently feels distanced from the NPR programme and are concerned as to the extent to which its views shape and inform advice to the Ministerial team. Department officials have been made aware that the collective frustration of the Board is as a result of wanting to ensure that Ministers' decision benefit from their knowledge and deep-seated commitment to the communities they represent.
- 3.3 Transport for the North officials have highlighted how Transport for the North Board members are used to working with the Department on matters that require sensitive handling, citing the working arrangements associated with the Rail North Partnership Agreement as an example.
- 3.4 In response DfT officials have sought to reassure Transport for the North that the Department greatly values its input and sees the MoU as a way of demonstrating the importance of the working relationship. DfT officials have re-emphasised that the MoU does not fetter Transport for the North's ability to submit statutory advice in respect of any aspect of NPR.
- 3.5 Transport for the North officials have proposed two practical actions that would potentially address the concerns raised by Transport for the North Board members in March 2023:
- A regular liaison meeting between DfT Ministers and senior representatives from the Transport for the North Board, including its Chair and the Rail North Committee Chair

- Working within the framework of agreements that are already in place, allowing Transport for the North officials to share information with its partners, on a confidential basis where appropriate, using the NPR working arrangements put in place by Transport for the North.
- 3.6 As set out in the paper considered by the Board in March 2023 the NPR working arrangements put in place by Transport for the North was made possible with the additional funding provided by DfT subsequent to DfT becoming the sole client in April 2022.
- 3.7 It is the view of Transport for the North officials that the proposed actions would strengthen the working arrangements (both formally and informally) and would reassure the Transport for the North Board that its role as co-sponsor is meaningful and adding value.
- 3.8 DfT officials have advised that they would need to seek a view from Ministers in response to the proposed actions.
- 3.9 As noted in the report received by the Board in March 2023, working arrangements to date between DfT and Transport for the North have been following the approach set out in the MoU. This has ensured that Transport for the North officials have been able to be a 'critical friend' to the Department as it has taken work forward. Formalising the working arrangements set out in the MoU – strengthened in the way proposed by Transport for the North officials – would ensure that Transport for the North retains a strong role as the NPR programme is taken forward. A strong role for Transport for the North is important given that work on NPR – and in particular the adaptive pipeline approach – enables Transport for the North to ensure that as proposals are refined, they are shaped by the Board's input.
- 3.10 Transport for the North will continue to have the ability to make the case for the longer-term ambition for NPR 'in full' notwithstanding the working arrangements in the MoU.

4. Context

- 4.1 Northern Powerhouse Rail (NPR) is a major programme to improve rail connectivity between main centres of the North through a combination of new routes and significant upgrades to existing rail routes. Development work on NPR was jointly led by Transport for the North and the Department for Transport (DfT) over a number of years operating as co-clients.
- 4.2 The Transport for the North Board agreed its preferred NPR network (NPR 'in full') in early 2021 and provided advice to the Secretary of State for Transport.
- 4.3 The Government published its Integrated Rail Plan (IRP) in November 2021 setting out plans for rail in the North and Midlands. The IRP proposed an NPR network which is less extensive than the Transport for the North preferred network. It does, however, form a core which could be developed to a more extensive network over time. Indeed, the IRP sets out the principle of an 'adaptive pipeline': a reflection of the reality that major infrastructure projects evolve over the period of their development. By engaging in the co-sponsorship arrangement Transport for the North can continue to make the case for 'NPR in full,' whilst ensuring that the views of its partners continue to shape delivery of the funds allocated by Government through the IRP.
- 4.4 In this way it is possible for Transport for the North to continue to make the case for improved connectivity to Bradford and Hull, between Sheffield and Manchester and between Sheffield and Leeds. The latter is linked to the Leeds Area Study which has yet to commence. Transport for the North, with partners, continues to press the Department on the urgency of publishing the Terms of Reference for the Study, and once published, of taking forward the work at pace.

- 4.5 The evidence base underpinning the draft Strategic Transport Plan restates the need to fully complete NPR and HS2 as originally planned to achieve the maximum economic benefit to the North (and by extension to the UK). In this context it is important to note that the NPR co-sponsorship Memorandum of Understanding (referred to subsequently as the sponsorship agreement) provides for Transport for the North to conduct work looking at additional corridors – the ‘adaptive pipeline approach.’ Transport for the North has employed a small number of additional staff who are working alongside DfT colleagues to ensure that the committed IRP schemes are optimised, and partners are kept involved and informed throughout their detailed development.
- 4.6 DfT became sole client for NPR on 1 April 2022 and several posts were transferred from Transport for the North to DfT to support this. The arrangements for co-sponsorship of NPR were agreed by the Transport for the North Board in March 2022. To formalise these, a sponsorship agreement has been jointly developed by Transport for the North and the DfT and is attached as Appendix 1. This agreement has recently been endorsed by Ministers and was presented to the Transport for the North Scrutiny Committee on 2 March 2023.
- 4.7 The senior governance is provided by the NPR Sponsor Board. The Board is comprised of three named representatives from each of Transport for the North and DfT, supported by Network Rail and HS2 Limited with other supporting attendees. The Sponsor Board is accountable for ensuring that the work is governed effectively and delivers the objectives that meet identified needs. Transport for the North has ensured that its three named attendees include a senior partner officer representative (from West Yorkshire Combined Authority), mirroring the officer-led Rail North Partnership Board which oversees the Northern and TransPennine Express rail contracts.
- 4.8 The Sponsor Board’s direct responsibility is oversight of the core NPR network as defined in the IRP, essentially between Liverpool and York via Manchester and Leeds. Delivery of NPR is however reliant on other programmes in particular HS2, Transpennine Route Upgrade and the East Coast Main Line Enhancements Programme. These programmes, referred to as “Dependencies” in the agreement are outside of the co-sponsorship remit with integration managed by the DfT. Whilst this means there is not direct Transport for the North involvement with the Programme Boards for these individual elements, the Sponsor Board does give Transport for the North the opportunity to raise issues or concerns that arise from these ‘Dependencies.’
- 4.9 The Sponsor Board meets quarterly and four such meetings have been held to date. These have operated under the model set out in the sponsorship agreement albeit before it has been formally ratified through both Transport for the North and DfT governance. The views of Transport for the North Partner authorities on key issues have been sought prior to meetings of the Sponsor Board and fed in via Transport for the North representatives, with feedback provided to Partners after the meeting. In the last year, the level of partner, and Transport for the North, involvement in NPR has been limited, a reflection of the stage at which the development work is currently at and the change in roles. However, as work on the Business Case moves forward the level of engagement will increase noticeably limited as the NPR programme transitions into delivery. Transport for the North has additional resources (provided because of the sponsorship agreement) and will be working with DfT to support effective engagement.

5. Corporate Considerations

Financial Implications

5.1 There are no financial implications for Transport for the North as a result of this report. Funding for the co-sponsorship function has been included in Transport for the North's budget.

Resource Implications

5.2 There are no new resourcing implications as a result of this report. Additional resources have been put in place in line reflecting the agreement and budget.

Legal Implications

5.3 Transport for the North is a co-sponsor of the NPR Programme and will need to enter into a formal agreement with the DfT for this purpose, which the Board is asked to endorse. The implications of this are covered in the body of the report.

Risk Management and Key Issues

5.4 There are two risks in relation to NPR Co-sponsorship, which are being managed on Transport for the North's corporate risk register. The sponsorship agreement provides sufficient safeguards for this risk to be managed so that Transport for the North retains influence over the NPR Programme.

Environmental Implications

5.5 This report does not constitute or influence a plan or programme which sets the framework for future development consents of projects listed in the Environmental Impact Assessment (EIA) Directive and therefore does stimulate the need for Strategic Environmental Assessment (SEA) or EIA. Any infrastructure proposals to improve the capacity and reliability of the system will be subject to EIA Screening, conducted by DfT and its delivery partners as part of the consenting process for those projects.

5.6 Delivery of NPR will encourage growth of travel by rail services and contribute to environmental targets through reduction in journeys by road.

5.7 Any specific environmental issues will be picked up in the development and delivery of individual infrastructure interventions.

Equality and Diversity

5.8 A full impact assessment has not been carried out because it is not relevant to the type of work referenced however increased access to employment and other opportunities is one of the main benefits of NPR.

Consultations

5.9 Transport for the North and the DfT have collaborated in developing the sponsorship agreement. The draft agreement has been shared with Transport for the North partners for comment.

5.10 The Sponsor Agreement was presented to the Transport for the North Scrutiny Committee on 2 March 2023. There were no substantive issues raised.

6. Background Papers

6.1 There are no background papers.

7. Appendices

7.1 Appendix 1 - NPR co-sponsorship Memorandum of Understanding.

Glossary of terms, abbreviations and acronyms used

a) DfT	Department for Transport
b) NPR	Northern Powerhouse Rail
c) HS2	High Speed 2
d) IRP	Integrated Rail Plan

Glossary of terms, abbreviations and acronyms used	
e) EIA	<i>Environmental Impact Assessment</i>
f) SEA	<i>Strategic Environmental Assessment</i>