

Quarterly Operating Report August 2023



1 Chief Executive's Introduction

- 1.1 Updating the Strategic Transport Plan (STP) is front and centre of the business plan and we were pleased to launch our 12-week consultation on the Plan in May, which involved teams from right across the organisation. We've already had lots of interest and feedback on the draft document and remain on course to seek approval for the final version from our Board later in the year. The plan will be supported by our advice to the Government on its implementation.
- 1.2 In the re-shaping and re-positioning of TfN we wanted to ensure that TfN developed its 'offer' in support of our partners. Developing our offer has focused on drawing on the evidence base and growing analytical capability and how to provide access to it. It is also good to be able to report progress on this activity including continued support for the NPR business case and initial work on updating our Future Travel Scenarios. TfN's Board has also agreed the Connected Mobility Strategy which re-positions TfN's role in integrated ticketing, information and in supporting partners with bus initiatives.
- 1.3 The North continues to face a number of risks including the future funding for the delivery of the transformational infrastructure schemes we need and, of course, ongoing challenges with the delivery of the North's railways. Rail North Partnership has continued to be at the forefront of this, navigating TransPennine Express into Operator of Last Resort and focusing on their recovery plan to get things back on track.
- 1.4 We have re-formatted our quarterly report as part of the reshaping of TfN. The revised version is focussed around reporting on progress in meeting the milestones set out in our 2023/24 business plan. That is supported by more succinct functional reports and complemented with the standard updates on people and finance. I hope you find this format more readable and informative, but we would welcome any feedback on the format.

2 Progress Against Business Plan Milestones

BP1: Consult on revised Strategic Transport Plan - Summer 2023

- 2.1 A statutory 12-week consultation for our second Strategic Transport Plan officially was launched on 26 May 2023, including a virtual consultation room to provide feedback and comments.
- 2.2 First consultation workshop held in June 2023, a further two in July 2023 and a virtual workshop are planned. Collectively over 150 attendees registered. Further engagement with STP2 in July 2023 including Transport for the North's citizens' panel (Northern Transport Voices).
- 2.3 TfN colleagues are attending partner meetings and events to present the STP, and given stakeholders the opportunity to feedback, including politicians, Chambers of Commerce, and business groups.

A meeting of our All-Party Parliamentary Group was held on 19 July 2023 to brief the North's MPs on our plan and seek their support.

BP2: Publish Connected Mobility Strategy – Summer 2023

- 2.4 The Connected Mobility Strategy was endorsed by the Scrutiny Committee and on 22 June 2023 the TfN Board agreed to it being published - scheduled for mid-August 2023.
- 2.5 Work was completed on identifying the Connected Mobility support to partners using DfT additional funding and reports being published and disseminated more widely amongst partners.

BP3: Secure Adoption of the Revised Strategic Transport Plan – December 2023

- 2.6 Work against this milestone is progressing through the consultation on the draft STP, which is on programme.

BP4: Rail reform – Issue Proposition for the North – December 2023

- 2.7 Policy position papers on Rail Reform have been developed and the Rail Reform Programme Board has been re-established: this is being used to develop the North's proposition linked with the rail reform agenda.

BP5: Provide Annual STP Action Plan – March 2024

- 2.8 Work has begun on Transport for the North's modelling and evaluation framework, specifically on the development of a dashboard to monitor progress of the STP2 against agreed metrics. A first iteration of the dashboard will be presented to partners in October 2023.

BP6: Update Future Transport Scenarios – March 2024

- 2.9 The requirements for the 2023-24 update to Transport for the North's Future Travel Scenarios have been finalised and will go out to tender July 2023.
- 2.10 Transport for the North is engaging with National Highways and DfT on Road Investment Strategy pipeline studies, including work following the announcement on TransPennine Connectivity, as well as the A19 North of Newcastle, and a programme of smaller regional schemes.

BP7: Consult on and then publish final Strategic Rail Report – March 2024

- 2.11 A draft of the Strategic Rail Report was published in May as part of the supporting documents for the draft STP consultation: responses will be reviewed as part of the work associated with the analysis of responses to the STP consultation.

BP8: Ensure a strong case is forwarded for recommended RIS investment in the North – March 2024

- 2.12 The Department for Transport (working with National Highways) published RIS 3 documents for consultation, including Connecting the Country, SRN initial report and route strategies. Transport for the North drafted the regional response, which has been reviewed by local Partners outside of a formal meeting given the shortened timeframe within which to respond.
- 2.13 TfN completed a series of one-to-one meetings with Local Partners to complete a mid-year review of the Major Road Network and Large Local Major schemes previously identified by TfN as being priorities to be completed 2020-2025. Outputs will be used in a workshop with DfT and scheme promoters, 5 July 2023, to inform an action plan.

BP9: Publish Transport for the North's Bus Policy Position – March 2024

- 2.14 At Transport for the North's Executive Board, the executive discussed areas of opportunity for support to Partners in their development of Bus Service Improvement Plans. An example of the support possible is through an update of Transport for the North's Public Transport Model and development of a regional policy position.

BP10: Implement an online local public transport data toolkit – March 2024

- 2.15 TfN has developed a brochure which sets out the technical offer to partners, including creation of a depository of our 'off the shelf' data and evidence. Brochure also set out how TfN could help scope specific policy workshops on key

topics such as place based planning and demand management, as well as setting out what is possible to be developed using our analytical tools. We expect to publish the brochure to partners in September.

BP11: Develop a submission to government that identifies opportunities to build on Transport for the North’s technical capabilities – March 2024

- 2.16 Analytical tools being further developed in order to support partners included Quantified Carbon Reduction (QCR) tool, Clean Mobility Visions (CMV) tool and existing Electric Vehicle Charging Infrastructure (EVCI) and Bus Service Improvement Plan (BSIP) tools.

3 Functional Reports

Strategy and Analysis

Progress in Quarter 1

- 3.1 The focus this quarter has been on the STP consultation as set out above. Other progress is set out below.
- 3.2 Engaged with Transport for the North’s Analytical Advisory Group, Strategic Oversight Group and Executive Board. We engaged by LEP geography a total eight sessions and over 120 attendees.
- 3.3 The economic scenario modelling work **for the Northern Powerhouse Independent Economic Review (NPIER)**, setting the new transformational vision of the economy of the North in 2050, was completed and published as a supporting document alongside the STP2 consultation.
- 3.4 Working with partners, a series of local economic profiles outlining the key Northern assets to support the economic narrative have been produced and are being developed and agreed through a series of partner workshops.
- 3.5 Connected Communities Strategy, developed from the earlier research work on **Transport-Related Social Exclusion (TRSE)**, was published alongside the draft STP2 consultation in May 2023.
- 3.6 TRSE tool developed with partner feedback, working on version 3.
- 3.7 Research undertaken on impact of the current cost of living challenge on those experiencing TRSE, and two workshops have been held. The intention is to publish this work in the next quarter.
- 3.8 Completed the first three months of research with the **Northern Transport Voices (NTV)** public panel. Topics covered have included surveys to understand consumer attitudes to last mile deliveries and electric vehicles, plus diary-based exercise to understand the challenges of rural travel.
- 3.9 Findings from NTV published shortly, further fieldwork planned.

Priorities for Quarter 2

- 3.10
- The STP will remain the focus with obtaining and incorporating feedback into the document
 - Related to the above consideration will be moving to how best to commence the implementation of the strategies and actions emerging from the STP.

Rail and Roads

Progress in Quarter 1

- 3.11 TransPennine Express was transferred to the Operator of Last Resort in May and Transport for the North has continued to support work to stabilise and improve performance in the short term.

- 3.12 Work has continued on monitoring and reporting on train performance and operator recovery plans, supporting RNP and partners.
- 3.13 The Transport for the North June 2023 Board endorsed a number of recommendations in support of the Transpennine Route Upgrade (TRU) and restated its support for the project as part of the next steps for the TRU business case.
- 3.14 TRU completed major works and construction of a new station at Morley. Transport for the North chaired a meeting of the TRU Stakeholder Forum and continued to lead first and last mile work.
- 3.15 TfN input to the Train Operator Business plans for 2024/25 (Northern and TPE) was provided, including Transport for the North priorities for the year ahead.
- 3.16 Providing information and observations into the various timetable options analysis work now being undertaken for the predicted post 2025 travel demand scenarios.
- 3.17 Technical input into the development of Business Cases for improvements at Manchester Piccadilly, Manchester Airport and Manchester Oxford Road through continued work on implementing outputs from Manchester Task Force (MTF).
- 3.18 The Major Roads team contributed to developing TfN's response to the National Networks National Policy Statement consultation, in partnership with the Strategy team.
- 3.19 TfN finalising Electric Vehicle Charging Infrastructure (EVCI) Phase 3 enhancements, and working with Government agencies to obtain data sets, test outputs, and support Local Transport Planning guidance.
- 3.20 EVCI methodology roll out to other STBs begun starting with Transport for the South-East (TfSE). Cost and time savings from obtaining all Regional Traffic Models and associated data from National Highways. Midlands Connect likely next STB in line, dependent on their highways modelling. Transport for the North mapping way forward for remaining STBs to inform actions in 2024.
- 3.21 EVCI Phase 4: the team is currently finessing the scope and reviewing internal capabilities and partnership opportunities with a view to launching procurement during summer.

Priorities for Quarter 2

- 3.22
 - Finalisation of revised Statutory Advice on Manchester rail priorities for September 2023 Rail North Committee
 - Re-establishment of Rail Reform Programme Board
 - Responding to the consultation on proposed Ticket Office Closures
 - Progressing the Connected Mobility Strategy programme with a focus on providing support for Transport for the North partners through the 'Hub' - a support service to assist LTAs developing new ticketing initiatives.
 - TfN response to SRN Initial Report consultation to be submitted to Government
 - TfN response to Connecting the Country, Route Strategies and Environmental Sustainability Strategy to be submitted to National Highways
 - Appoint supplier for work to update TfN Future Travel Scenarios
 - Inception for Transport for the North's Public Transport Model development
 - Delivery of EVCI roll out to TfSE.

TAME (NPR contract)

Progress in Quarter 1

- 3.23 Final economic tests on the Northern Powerhouse Rail (NPR) Strategic Outline Business Case (SOBC) delivered on programme.

- 3.24 Recruitment round finished with three new appointments to the TAME: additional capacity provided by this will be focused largely on delivering Transport for the North service 'offer' to partners.
- 3.25 Development of master programme of work completed its first iteration: to be used in managing resource available in support of required TAME activity.

Priorities for Quarter 2

- 3.26
- Working with DfT to understand next phases of the NPR programme
 - Commencing roll out of analytical products to sub-national transport bodies
 - Commencing support to LTA's with decarbonisation analysis and evidence for Local Transport Plans.

Rail North Partnership

Progress in Quarter 1

- 3.27 Northern Service Agreement - The Northern Team is focussed on closing out enforcement action following a series of year-end non deliveries by NTL and working to improve the operator's reporting and programming capabilities. Discussions are ongoing to reintroduce Dales services.
- 3.28 TPT Service Agreement - The new TPT operator (the name used by the Operator of Last Resort for the previous TPE service) is bedding in, with a new MD and changes to the senior team. The Team has been overseeing the operator's Recovery Plan and scanning ahead to likely changes to the timetable – such as Newcastle to Edinburgh improvements, including those driven by other operators (such as LNER on East Coast); they are also considering the trains to operate when leases end in May 24. Commercial discussions are ongoing to close out the contract with FTPE – a high effort, high value piece of work.
- 3.29 Transpennine Route Upgrade - the team are finalising the TRU services element this year (we receive circa £50m p.a. direct funding in the "Delivery Partner" set-up between NR and TPE/T), as well as helping integrate passenger services fully into the TRU "Enterprise Model" and drive forward the procurement of new rolling stock.
- 3.30 Planning and Procurement Programme - this function is leading input into the Northern Services Review and near-medium term TT development, as well as the replacement of hundreds of life-expired "I5x" trains; looking ahead to the replacement of the TPE and NTL contracts – an opportunity to set the course of the operations for the coming decade; leading discussions on TPE's new rolling stock; looking forward to the formal commencement of Business Planning 2024/5, and commercial "scorecards" can extend in to our public-sector operators; taking forward discussions on the Northern Driver Training Academy.
- 3.31 Stakeholder and Comms has been working through the MoU between RNP and the new Northwest Business Unit which approach will then be rolled out to the NE and potentially Yorks; we have been dealing with the correspondence – including FoI - from the TPT transfer and new timetable etc, as well as stakeholder reactions to ongoing cost constraints on grow-back.
- 3.32 Finance - the team is focussed on keeping NTL and TPT to their collective budget – (NTL came in with an accuracy of 99+% to forecast), whilst TPT has been moved across from the commercial operator to the public-sector OLR. Finance elements of in-year and annual planning are hugely demanding on the team and the industry – with the challenge only likely to grow into 2024/5.

Priorities for Quarter 2

- 3.33
- Moving TPT into a stable operational position
 - Clarity and sign off on Timetables able to run for both operators into 2024

- Continuation of Business Planning process including engagement with RNC members
- Progress on Rolling Stock Replacement.

Communications and Engagement

Progress in Quarter 1

3.34 Liaison with TRU Comms to ensure information flow between the programme and TfN Comms is working so that risks and opportunities to be captured.

Liaison with DfT Comms and HS2 to ensure that key milestones are identified and exploited.

3.35 Drafted and disseminated media lines on the termination of the TPE contract and its transfer to OLR; on the proposals to close ticket offices; issued regular dashboard updates to RNC members on performance; provided updates where necessary on key select committees, parliamentary statements and pertinent media stories.

Liaison with DfT comms re: Manchester Castlefield Corridor investment and attendance at photocall and subsequent push out on social media.

Priorities for Quarter 2

- 3.36
- Organise a Community Rail event to convene those groups across the North at a TfN hybrid event to ensure this key stakeholder group is covered off and that any risks and opportunities are captured
 - Finalise an NPR Comms Plan as to how we plan to engage with the forthcoming SOBC and DfT consultation and how partners can play a role in feeding into this
 - Support TfN presence at party conferences to ensure that TfN's profile is promoted and key stakeholders at the conferences can engage with our communications team
 - Refresh the TfN NPR pages, with updates on our co-sponsor role and key milestones in the project
 - Planning for new year events including, TfN annual conference, Convention of the North, and others
 - TfN Comms to hold the chair of the STB Comms Group for 2023/4.

4 People and Finance

Established Permanent/Fixed-term Posts

4.1	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	19 (19.00 FTE)	-	19 (19.00 FTE)
	Operational & Delivery	49 (48.84 FTE)	-	49 (48.84 FTE)
	DfT Data Services (Hosted)	24 (23.79 FTE)	-	24 (23.79 FTE)
	Rail North Partnership (Hosted)	14 (14.00 FTE)	3 (3.00 FTE)	17 (17.00 FTE)
	Total Establishment	108 (107.63 FTE)	3 (3.00 FTE)	111 (110.63 FTE)
	Strength (in post)	90 (89.63 FTE)	2 (2.00)	92 (91.63 FTE)

Appointed (start date pending)	8 (8.00 FTE)	-	8 (8.00 FTE)
Active/Pending Recruitment	4 (4.00 FTE)	1 (1.00 FTE)	5 (5.00 FTE)
Vacant – On-hold	6 (6.00 FTE)	-	6 (6.00 FTE)

HR Metrics – 2023/24 Year-to-Date:

4.2	Corporate Sickness Level:	1.5%
	Employee Turnover (Voluntary Leavers):	2.1%
	% of Employees from an Ethnic Minority Background:	15%
	% of Employees declaring a Disability:	22%
	Gender Mix - % of Female Employees:	37%
	% of Male Employees:	63%

Finance

TRANSPORT FOR THE NORTH FINANCE DASHBOARD		PERIOD BUDGET CYCLE		Q1 BASE BUDGET	2023/24	
YTD ACTUALS VERSUS BUDGET - BY ACTIVITY						
	Actuals £m	Budget £m	Var. £m	Var. %		
Hosted services						
NPR Programme Closure	£0.05	£0.06	£0.01	12%		
DfT Analytical Support	£0.97	£1.36	£0.39	28%		
Rail North Partnership	£0.39	£0.43	£0.04	9%		
Total	£1.41	£1.84	£0.43	23%		
Operational areas						
Rail and Roads	£0.51	£0.55	£0.03	6%		
Strategy, Policy and Communication	£0.66	£0.74	£0.08	11%		
Total	£1.17	£1.29	£0.12	9%		
Business support						
	£0.55	£0.58	£0.03	4%		
Total	£3.13	£3.71	£0.57	15%		
YTD OPERATIONAL & BUSINESS SUPPORT EXPENDITURE - BY COST TYPE						
Actuals 		Actuals £m	Budget £m	Var. £m	Var. %	
	Staff	£1.24	£1.36	£0.12	9%	
	Staff support	£0.08	£0.06	£-0.02	-34%	
	Business infrastructure	£0.17	£0.21	£0.04	19%	
	Professional services	£0.15	£0.18	£0.02	14%	
	VAT	£0.08	£0.08	£0.00	-1%	
	Total	£1.72	£1.88	£0.16	8%	

- 4.4 Total expenditure YTD is £3.13m, £0.57m (15%) below base budget.
- 4.5 The underspend is mainly due to DfT Analytical Support (within Hosted Services), partly due to vacancies in the team but primarily because of the delay in agreeing the workplan for the year. An update is expected mid-July 2023.
- 4.6 From an operational and business support perspective, staff underspends are the key driver resulting from delays in recruitment. Any savings to date are being monitored and where possible, mitigated through reallocating to new opportunities/new priorities as they arise.
- 4.7 Budget virements approved to date total £0.4m with 51% relating to discretionary spend, 38% on staffing (interims, extensions, promotions) and the remainder on business infrastructure.

August 2023