

Transport for the North Board Minutes

**27 September 2023
Leeds Hilton City**

Present:

Lord McLoughlin (Chair)

Attendee

Cllr Phil Riley
Cllr Craig Browne
Cllr Louise Gittins
Cllr Denise Rollo
Mayor Andy Burnham

Cllr Mark Ieronimo
Cllr Rupert Swarbrick
Mayor Steve Rotheram
Mayor Jamie Driscoll
Cllr Keane Duncan
Mayor Oliver Coppard

Cllr Russ Bowden
Cllr Neil Hughes
Mayor Tracy Brabin
Cllr Peter Kilbane

Local Authority

Blackburn with Darwen;
Cheshire East;
Cheshire West & Chester;
Cumberland;
Greater Manchester Combined
Authority;
Hull;
Lancashire;
Liverpool City Region;
North of Tyne Combined Authority;
North Yorkshire;
South Yorkshire Mayoral Combined
Authority;
Warrington;
Westmorland and Furness;
West Yorkshire Combined Authority;
York;

Rail North Authorities Attendees

Councillor Carolyn Renwick
Councillor Tom Smith

Derbyshire County Council
Lincolnshire

Local Enterprise Partnership (LEP) Attendees

Alyson Armett
Justin Kelly
Mark Rawstron
Helen Simpson

Cumbria LEP
Greater Manchester LEP
Lancashire LEP
York and North Yorkshire LEP

Also in Attendance

Mayor Sadiq Khan
Robin Gisby
Graham Bell

Mayor of London
DOHL
Audit & Governance Committee Chair

Partners in Attendance:

Andy Rhind
Amy Williams

DfT
National Highways

Officers in Attendance:

Name	Job Title
Martin Tugwell	Chief Executive
Gary Rich	Democratic Services Officer
Katie Day	Director of Strategy, Analysis and Communications
Paul Kelly	Finance Director
Julie Openshaw	Head of Legal
David Hoggarth	Head of Strategic Rail
Rachel Ford	Head of Strategy, Policy and Research
Lucy Jacques	Principal Policy & Strategy Development Officer
Darren Oldham	Rail and Road Director
Joanne Barclay	Senior Solicitor

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

- 1.1 The Chair welcomed Members and apologies were noted from Cllrs Handley, West, Gannon, Miller, Lynn Williams, Mark Smith, Swinburn, Mitchell, David Willams and Pritchard as well as Rob McIntosh, Siobhan McArdle.

The Chair extended a special welcome to the Mayor of London (Sadiq Khan) and Mr Robin Gisby (Chief Executive DOHL). The Chair explained that this is a timely meeting given that things in relation to the future of HS2 are under consideration. He suggested that the Board needs to be focused on what will bring the best benefit for the transport system across the North in support of realising the North's potential.

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 of the Transport for the North Board held on 22 June 2023 were considered.
- 3.2 Members received at the same time the written update on matters arising (Including a copy of the quarterly Operating Report) from the Chief Executive who suggested that the Board might wish to discuss the uncertainties associated with the future of the HS2 project.
- 3.3 The Chair thanked the Mayor of London for finding time to join the meeting. In introducing the Mayor the Chair highlighted the positive

impact that the opening of the Elizabeth Line is having on London and the wider South East.

Mayor Khan commented that it was not sensible for the North to be reliant on what was essentially 19th Century rail infrastructure in the 21st Century. He set out his full support of TfN in championing the need for HS2 and NPR 'in full'. He then shared his frustrations at the impact that the uncertainty associated with HS2 was having on London. He set out the upheaval that has been caused in and around Euston where HS2 was due to terminate and explained that homes had been demolished and businesses destroyed by the works to date. And yet now the rumour was that the project would terminate six miles west of central London at Old Oak Common. Additionally, he noted that if the HS2 project was scaled back it would result in trains taking longer to get to Birmingham than on the current West Coast Main Line. He continued by highlighting the impact on London if latter phases of HS2 were to be curtailed. He set out that London would no longer reap the benefits of greater connectivity and capacity between the North and the South.

He informed Board that he has been inundated with calls from concerned businesses as a result of the uncertainties with the HS2 project and argued that this was a massive failure of public policy and squandering of taxpayers money if the rumours were proved to be true. He emphasised that the success of North is crucial to London's success and stated that he stood alongside the North's Political leaders to form one voice in support of HS2.

- 3.4 Cllr Gittins presented her motion to the Board and in doing so she highlighted that the greatest strength of Board is that it speaks with one voice for the North, its residents and businesses. She argued that for the North to benefit from the investment being made it was essential that Northern Powerhouse Rail (NPR) and HS2 'in full' were delivered together. To illustrate the importance of both she highlighted the benefits of HS2 for Cheshire and Warrington alone, which was expected to realise an additional £2 billion GVA per annum, create 27,000 new job and enable delivery of 6 million square feet of new commercial floor space and 25,000 new homes in just this one area. She emphasised the importance of the leaders of the North all standing together, even those not directly unaffected by the potential cancellation of HS2 to the North.

Cllr Gittins moved the motion that "Transport for the North reaffirms its unanimous position as set out in our statutory advice to government; that we must transform the North by building both HS2 and NPR in full."

In seconding the motion Cllr Swarbrick stated that Lancashire's position is one of solidarity. He emphasised the importance of the projects for multiple generations ahead.

- 3.5 Mayor Driscoll moved an amendment to the motion: proposing that it should be explicit in identifying investment in NPR as the priority. He explained that there is currently only one (twin-track) corridor serving the North-East which is 166 years old. He suggested that should Leaders be successful in persuading the Government to continue building of HS2

to Manchester, it was still unknown when that work would be completed. He argued that this would mean no increase in capacity on the East Coast Main Line until the later 2040s or 2050s. It was on this basis that he stated that HS2 gives no benefits to the North-East without NPR being built.

The amendment to the motion was seconded by Cllr Duncan.

- 3.6 The Board debated the motion and amendment. Members consistently highlighted the impact that the cancellation of HS2 would have on investor confidence as well as the much wider impact on the North's economy. Cllr Browne highlighted that the continued speculation and delay is eroding public confidence. He, together with Mayor Rotherham and Mr Rawstron all highlighted that HS2 is not about an increase in speed but about freeing up capacity to enable economic growth. Mr Rawstron emphasised the need for the Board to be more vocal concerning the importance of increased capacity when discussing and supporting HS2./Mayor Rotherham and Cllr Ieronimo highlighted the importance of building both HS2 and NPR for the ports of Liverpool and Hull and specifically the role that increased capacity would play in moving freight off the roads and on to rail.
- 3.7 Whilst understanding the reasons behind Mayor Driscoll's proposed amendment, speakers consistently set out their concerns that by stating a priority for NPR (over HS2) may weaken the position of the North. In particular there was a concern it would suggest that the North accepted that it was possible make choice between the two projects. Mayor Burnham expressed concerns that there is not yet an agreement between Board and Whitehall as to what NPR will look like, noting that the Integrated Rail Plan did not include NPR 'in full' as recommended by the Board. In this context he believed stating NPR as a priority may result in the Board being forced to make choices.
- 3.8 In support of the amendment, Cllr Ducan stated that the amendment was looking to provide a compromise and not looking to force a choice between NPR and HS2. He emphasised that the amendment was merely asking for the delivery of NPR to be prioritised and stated that he believed that this would be a means to secure HS2.
- 3.9 Mayor Driscoll stated that the motion with or without the amendment shows a commitment to both HS2 and NPR, but that without the amendment there would be no development taking place for the northern part of the NPR network for decades. This he believes will have a negative impact on the future of the North-East as businesses would look to prioritise investment in areas with greater connectivity.
- 3.10 In supporting the original motion, Cllr Gittins reiterated that the Board has always been unanimous and that she has always stood with colleagues on issues that haven't benefited Cheshire West and Chester to ensure that the Board is speaking with one voice for the North. She reiterated the position that the Board has always held that HS2 and NPR need to be delivered in full.

- 3.11 The Chair in seeking a show of hands concluded that it was clear that if a weighted vote was held, the amended motion would not be carried. He therefore determined that a formal weighted vote was not necessary, and the Chair concluded that the amended recommendation would fall.
- On a further show of hands, Members supported the motion as originally moved, without any vote to the contrary.
- 3.12 On summarising the debate the Chair stated that the Board's position would form the basis of on-going conversations with Government. He emphasised the importance of restating that HS2 is not about speed but about capacity and freeing up the system to allow development in the region to come forward to the benefit of the UK as a whole.

Resolved:

- 1) That the minutes of the Transport for the North Board held 22 June 2023 be approved as a correct record.
- 2) That the written Matters Arising update and the Quarterly Operating Report, be noted.
- 3) That Transport for the North reaffirms its unanimous position as set out in our statutory advice to government; that we must transform the North by building both HS2 and NPR in full.

Taken together, these projects are critical to unlocking the North's economic potential by addressing the poor connectivity that holds the region back. It is the communities and businesses across the North of England who are suffering most by any delay or inaction in delivering these schemes.

Delaying delivery of infrastructure investment ultimately adds cost to the public purse, and delays the benefits of that investment to those communities and businesses.

4. Trans Pennine Trains: Next Steps

- 4.1 Members received the covering report from the Head of Strategic Rail.
- 4.2 The Chair welcomed Mr Gisby to the meeting and invited him to provide an update on the current situation and the recovery plan for TPE. Mr Gisby began by acknowledging that TPE is running its services on behalf of the passengers and communities they serve. And whilst caring about levels of subsidy, revenue and costs they want to ensure that they are providing the best possible service.

He stated that the situation they inherited when taking control of TPE was difficult and several things which should not have happened need to be unpicked. He suggested that this may take some time and so requested patience whilst TPE stabilises the business.

On the issue of industrial relations, he informed the Board that short term progress had been good but further work is required to improve these in order to reach a similar place as other operators. This will be a focus for them over the next few months.

Mr Gisby explained that the focus of the business was on getting across the Pennines quickly. He highlighted a number of issues that need to be addressed including serving local stations with TPE services that might be better served by other operators, complicated rolling stock diagrams and industrial relations.

With the regard to the plans from December 2023 he explained that they are modest but that after December, whilst they may be running fewer services initially, TPE was committed to growing the business and that they aspire to run more services in time.

He suggested that TPE would be back to the pre-Covid position in the next 6 to 12 months. He further stated that he wants to restore some services in December 2024 that have been dropped in December 2023.

On the situation with the Nova 3s, he expressed his view that these trains should not be running on this network. He highlighted their lack of reliability and the difficulties in maintaining them, as well as the high financial and environmental costs that they have.

He continued, stating that he wants to rebuild TPE as an inter-urban service, connecting places across the Pennines and up to Scotland on the East and West Coast Main Lines. He committed to reporting back to Board during 2024 on progress with the restoration of some services. He stated that he wanted to see TPE succeed and hoped TPE can catch up and overtake LNER.

- 4.3 Following Mr Gisby's update successive Members of the Board stated that they had been proved right that it was the right decision to move TPE into the Operator of Last Resort. However, Members were concerned about the possibility of losing the Nova 3s including the impact this might have on available capacity, the perception that it would represent a backwards step in terms of rolling stock and the need to be satisfied that the alternatives would be acceptable.

In response to Members' comments on the Nova 3s Mr Gisby was clear that the decision had not yet been made. He highlighted that the costs of the trains are £30 million per year and spoke about what could be done with rolling stock around the network with the savings realised, as well as highlighting the opportunity for reinvestment in other areas of the business. He stated that retention of the rolling stock would not solve the capacity issue and that transferring services away from TPE that they shouldn't be running, together with better planning would help with capacity issues.

Addressing the environmental issue, Mr Gisby explained that had the infrastructure been electrified then the units would not have been purchased. He further stated that if he could find a battery or hydrogen vehicle to use he would replace them straight away. He informed the Board that the lease for these trains ends in May 2024 and what happens to them will need a discussion unless a solution can be found earlier.

He highlighted that there is a significant amount of new rolling stock that the industry needs to put onto the network over the coming

years. Ensuring the new stock is ordered on time and that the infrastructure to accommodate it is ready for them is of great importance.

- 4.4 Mayor Burnham raised the issue of reinstatement of services previously lost and stated that he would want to see this as the improvement plan works through and for it to happen by the December 2024 at the latest.
- 4.5 Mayor Rotherham and Cllr Kilbane raised the issues of passenger trust and confidence, with Mayor Rotherham calling for a concerted effort to provide better information for passengers.
- 4.6 The Chair thanked Mr Gisby for the progress that has been made and his openness and looked forward to continuing to work with him.

Resolved:

That the Board's comments be noted.

5. Rail North Committee Update

- 5.1 Members received the report from the Head of Strategic Rail. The Rail and Road Director then outlined the key points from the Rail North Committee Consultation Call on 13 September.
- 5.2 Mayor Burnham (Chair of the Rail North Committee) provided the Board with an update on the matters discussed at the meeting.

On the issue of proposals to close ticket offices, he stated that this remains huge concern for the Committee, with Members believing that the proposals and consultations are flawed. He explained that the Committee is not against reform but the proposal for reform has to be based on the principle that there will be no loss of staff and no reduction in the support provided for passengers. He also expressed concern that under the proposals too many stations would be deserted for large parts of the day, citing this as further evidence of 'managed decline.'

He then updated Board on the work of the Committee in looking at accessibility of stations across the North: he encouraged Board Members to look at the Committee papers if they haven't already done so. He highlighted some of the major issues in the report including the number of stations without desirable step free access and/or induction loops. He stated that the Committee was concerned that the railways do not see removing all accessibility issues as a priority issue. He informed the Board that a Member taskforce has been established to look at these issues and that it will report back regularly to the Committee on progress.

Mayor Burnham requested that a discussion on disability access be brought to the TfN Board in the near future.

- 5.3 Cllr Gittins raised the issue of women and safety on the railways and questioned whether concerns about safety are putting women off using trains. She requested a further discussion on this at Board in due course.

- 5.4 Mayor Brabin stated that taking ticket offices away at this time makes no sense with the disruption that will be caused by the work taking place on the Transpennine Route upgrade (TRU). She argued that this will be a time, more so than ever before, when people will need to have access to staff on stations. She then raised the issue of congestion in the West Yorkshire area and requested that TfN look at these pinch points and that this be included in the next statutory advice.
- 5.5 Cllr Hughes and Cllr Smith both spoke about the importance of, and the need for ticket offices to remain open. Cllr Smith stated that he considered there needs to be an increase in the number of ticket offices.
- 5.6 Mr Rawstron highlighted that when you exclude people from purchasing tickets you drive down revenue and therefore make travelling uneconomic. He suggested the need to promote additionality on the railways in order to drive revenue. He then went on to highlight the importance of ticket offices in supporting visitor economy, in particular noting the need for people who don't speak English to be able to access support at the station.

Resolved:

- 1) That the feedback from the Rail North Committee including discussions with TransPennine Trains Ltd on their recovery plan be noted
- 2) That Board endorses the response to the Ticket Offices Closure proposal
- 3) That Board Agrees the updated Statutory Advice (to the Secretary of State) on Manchester Congestion issues.

6. Strategic Transport Plan Update

- 6.1 Members received the report of the Principal Policy & Strategy Development Officer. The Director of Strategy, Analysis and Communications thanked Members and their teams for their continued support and input. She then outlined the key points of the report and looked to Members for a steer on four specific areas associated with the STP: these were the strategic outcomes, the right share and vision zero metrics, the potential amendments identified post the consultation and potential new areas of work.
- 6.2 Cllr Gittins requested greater ambition in terms of the Vision Zero metric and would like an earlier date than 2050 to be set if possible. The desire for a more ambitious vision zero was supported by other Members of Board.
- 6.3 Mayor Brabin welcomed inclusion of light rail within the amendments proposed. Cllr Hughes requested that TfN also consider light rail in rural areas as this could help reduce congestion on roads and within town centres.
- 6.4 Mr Rawstron was pleased to see the recognition of the challenges faced by rural areas and the emphasis on freight and logistics included within the Plan. On the right share metrics, he expressed his concern that Board is signing up to a net zero overall regional increase in private car

mileage and he was concerned that this might act as a restriction on parts of the North.

- 6.5 On Mr Rawstron's point on the right share metric for private car mileage, the Director of Strategy, Analysis and Communications proposed a further conversation on this offline. On the metrics more generally, she stated that as regional values they offered the ability for variation across to reflect the local circumstances: the key role of the STP is about the cumulative impact/progress across the region.

Resolved:

- 1) That Board notes the outcomes from the statutory consultation, summarised in section 3, and the detail provided in Appendix 1;
- 2) That Board's comments on the STP are noted and that they will guide its revision post consultation;
- 3) That the arrangements for finalising the STP ahead of TfN Board in December are noted.

7. Strategic Transport Plan Update

- 7.1 Members received the report of the Finance Director who outlined the key elements in his report. He highlighted to the Board that as in previous years, sign off the accounts by the auditors will not be possible until the Greater Manchester Pension Fund had itself been signed off. He anticipated that these will be signed off in October and proposed that the accounts be approved subject to the sign-off of the Pension Fund.
- 7.2 The Chair of the Audit and Governance Committee Mr Graham Bell then presented the Committee's Annual Report to Board and highlighted the key areas of this report.
- 7.3 Mayor Brabin highlighted that a number of red RAG ratings appeared in the risk register and requested an informed discussion about how TfN was addressing these going forward.

Resolved:

- 1) That Board approves Transport for the North's Annual Governance Statement and Statement of Accounts for financial year 2022/23, subject to the sign-off of the Greater Manchester Pension Fund.
- 2) That the Board notes that the report is supported by an appended report from Transport for the North's independent external auditor that provides an unqualified, clean opinion.
- 3) That the report should also be considered alongside the Annual Report from the Chair of the Audit & Governance Committee which recommends approval of the Accounts.

8. Governance Update

- 8.1 Members received the report from the Head of Legal.

Resolved:

- 1) That Ms Jo Reed and Mr Richard Thomas be appointed as Independent Members and co-opted onto Audit and Governance Committee for a period of 3 years.
- 2) That Board notes the work commenced by General Purposes Committee to consider future development of the Constitution, and notes that recommendations will be presented to Board in due course.

9. Corporate Risk Register and Risk Management Strategy Report

9.1 Board received the report from the Finance Director.

Resolved:

That Board notes TfN's corporate risks and the updates to the Risk Management Strategy in relation to reporting changes and inclusion of the TfN - Three Lines of defence assurance model.

10. Date and Time of Next Meeting

Thursday 14 December 2023

10.30am

Holiday Inn Manchester