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<b>Meeting:</b>	Rail North Committee Consultation Call
<b>Subject:</b>	Transport for the North Business Plan and Member Contributions 2024/25
<b>Author:</b>	David Hoggarth, Head of Strategic Rail
<b>Sponsor:</b>	Darren Oldham, Rail and Road Director
<b>Meeting Date:</b>	Wednesday 21 February 2024

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**1. Purpose of the Report:**

1.1 This report provides an update on the Strategic Rail elements of the draft Transport for the North Business Plan 2024/25 and the Department for Transport's funding allocation for 2024/25.

1.2 This report also seeks endorsement of the 2024/25 Member Contribution payment and provides an update on two governance matters.

**2. Recommendations:**

2.1 It is recommended that the Committee endorses the approach set out in this report to the 2024/25 rail elements of Transport for the North's Business Plan and notes the Department for Transport funding allocation for 2024/25.

2.2 It is recommended that the Committee approves the approach to the 2024/25 Member Contributions as outlined in this report.

2.3 It is recommended that the Committee notes the two governance matters relating to the change in composition of two sub-regions and the change in Rail North Partnership Board members.

2.4 It is recommended that the Committee notes the proposed forward plan for future meetings in Appendix 1.

**3. Main Issues:**

3.1 The Transport for the North 2023/24 Business Plan is focussed on Transport for the North's core roles and responsibilities and to make the case for better outcomes for passengers, freight and investment in the rail network.

3.2 Key Performance Indicators (KPIs) were developed as part of the rail elements Business Plan and overall good progress is being made to deliver them, including:

- Consult on, and then publish final Strategic Rail Report (on track)
- Publish the Connected Mobility Strategy (completed)
- Rail Reform – Issue Proposition for the North (in progress).

Whilst the national programme for rail reform is unclear, Transport for the North has implemented a North West Regional Business Unit, re-established its Rail Reform Programme Board and is engaging with both the Great British Railways Transition Team and Greater Manchester on development of complementary Partnerships, building on the existing Rail North Partnership.

**Proposed Priorities for 2024/25**

3.3 Transport for the North's Rail Team has two core functions:

- Providing Transport for the North's direction to the Rail North Partnership to meet the terms of the Partnership Agreement including consultation with partner authorities
- Overseeing delivery of the Rail Strategy element of the Strategic Transport Plan including the rail investment programme and Statutory Advice to the Secretary of State relating to rail investment including Northern Powerhouse Rail (NPR).

3.4 On 18 January 2023, the Department for Transport wrote to Transport for the North and outlined the 2023/24 and 2024/25 funding settlement.

- 3.5 The core funding allocation is £6.5 million for each of the current and next financial years (2023/24 and 2024/25) to ensure that Transport for the North can continue to fulfil its statutory functions.
- 3.6 In addition, the Department for Transport will provide an additional £710,000 for both 2023/24 and 2024/25 to allow Transport for the North to support the development of wider Subnational Transport Bodies and Local Transport Authorities capacity and capability.
- 3.7 As in previous years, this report provides an opportunity for the Rail North Committee to comment and shape relevant and rail aspects of the draft Business Plan prior to being included as part of the overall Transport for the North Business Plan development (and subsequent presentation to the Transport for the North Board in March 2024).
- 3.8 The proposed areas of focus included in the 2024/25 Business Plan are:
- a) Shaping the rail strategy for the North, including using our existing (co-sponsor) role on NPR to get the best outcomes for the North from the Integrated Rail Plan (IRP) and Network North policy announcement whilst progressing those critical schemes which do not feature in Government policy (including NPR in full) through the development of business cases and funding packages in collaboration with the industry and partners
  - b) Secure delivery of the long-term priorities set out in the Strategic Transport Plan by working in collaboration with the industry to ensure incremental service development is moving towards the aspired end state, utilising Transport for the North's role within Rail North Partnership and Statutory Status to shape industry priorities and inform Train Operating Companies Annual Business Plans, rolling stock strategies and resource plans
  - c) Using Transport for the North's powers and influence on rail investment (including making Statutory advice where appropriate) to secure the best outcomes for the North from planned and committed investment schemes (including Manchester Task Force, East and West Coast Main Line programmes)
  - d) Improving accessibility of the rail network for all including taking forward the outputs of the Accessibility Task and Finish Group
  - e) Working in collaboration with the wider industry and partners, effectively integrate and coordinate infrastructure investment and service changes (both Passenger and Freight) through developing a pan-Northern Investment Programme and Blueprint for the North identifying where additional activity and investment may be needed to deliver the aspirations set out in the Transport for the North Strategic Transport Plan
  - f) Develop and agree a reform proposition to act as, the unified voice for northern authorities and the business community and a link between local devolution, multi-modal integration, business representatives and Great British Railway's regions
  - g) Delivering Transport for the North's Connected Mobility Strategy including supporting partners in developing initiatives and sharing best practice to provide the North with an integrated ticketing system and bring together member Authority aspirations for digital innovation in transport
  - h) Promote and facilitate modal shift in pursuit of decarbonisation across the North by ensuring freight is considered alongside development of passenger services, featuring on the Rail Investment Pipeline, Blueprint for the North, and in the development of the Rail Outlook 2030, Rail Reform Propositions and NPR development
  - i) Through meaningful engagement with the industry and the use of Transport for the North's Statutory powers, develop a consensus position on rail investment priorities and activity, as part of a pan-regional investment pipeline, to support implementation of the ambitions and outcomes in the Transport for the North Strategic Transport Plan (STP)

- j) To actively offer support and guidance to partner authorities when developing rail projects that are aligned with the Transport for the North STP ambitions.

### **Resources**

- 3.9 Transport for the North's core budget funds 12 roles within the Strategic Rail Team in addition to modest external consultancy support and modest travel budget. These resources can support the activities set out in paragraph 3.8.

### **Member Contributions**

- 3.10 Each financial year, Transport for the North sets an appropriate level for Member contributions (as defined in Transport for the North's Franchise Management Agreement) from each of the Transport for the North Rail Authorities in respect of a Support Payment to specifically support Transport for the North's operating costs.

- 3.11 It is proposed to continue with the approach used in previous years which will be the current year (2023/24) contributions with the appropriate indexation applied. Lead officers have been advised in writing of the financial contributions proposed.

- 3.12 In previous years 'in kind' contributions (or Additional Contributions) have been permitted in the form of staff time (for example Local Transport Authority staff working on specific projects or programmes on behalf of Transport for the North). The proposed approach is to continue the option of 'in kind' contributions.

### **Local Transport Authority Changes**

- 3.13 There are two changes to Local Authorities that impact Transport for the North and the Rail North Committee in 2023/24:

- For York and North Yorkshire, The York and North Yorkshire Combined Authority member replaces the two members for North Yorkshire and City of York from 20 December 2023
- For the North East, the North East Mayoral Combined Authority member will replace the two members for NECA and NoTCA from 7 May 2024

- 3.14 Pending more detailed future consideration of the Regional Groupings for Rail North Committee and General Purposes Committee when rail reform is more developed, the current changes raise the more immediate need to update the Regional Groupings tables for Rail North Committee and General Purposes Committee in paragraphs 21.6 and 22.9 of the Transport for the North Constitution.

- 3.15 City of York has historically been grouped with WYCA, with voting allocations for each authority being combined for these purposes. WYCA will now be alone in its group, with the City of York voting allocation transferred to Y&NYCA. The Grouping which historically comprised solely of North Yorkshire will now be the sole authority in it amended to Y&NYCA, and the voting allocations for North Yorkshire and City of York combined.

- 3.16 NoTCA and NECA are already grouped together, so the new NEMCA will replace them in the Group and have both their voting allocations transferred to it. These amendments and any consequential ones arising can and will be made under the delegated authority of the Monitoring Officer in consultation with the Chief Executive.

### **Rail North Partnership Board Representative**

- 3.17 Transport for the North has three officer representatives on the Rail North Partnership Board including Transport for the North's Lead Officer (Darren Oldham, Roads and Rail Director) and two representatives drawn from partner authorities. One of the partner representatives was previously Bob Morris from Transport for Greater Manchester (TfGM) although this position has been covered by Simon Elliott (also of TfGM) during Bob's recent absence. As Bob has now retired from TfGM, it is proposed that his position on the Rail North Partnership Board is formally amended to be Simon Elliott.

### **Forward Plan for Rail North Committee in 2024/25**

- 3.18 A forward plan for the Committee for future 2024/25 meetings has been developed and is included as Appendix 1 for noting.

#### **4. Corporate Considerations:**

##### ***Financial Implications***

4.1 The financial implications are set out in this report and annual Member Contribution payments are used to support the operating costs of Transport for the North.

##### ***Resource Implications***

4.2 There are no additional resourcing implications as a result of this report.

##### ***Legal Implications***

4.3 There are no apparent legal implications arising other than raised within the report.

##### ***Risk Management and Key Issues***

4.4 This paper does not require a risk assessment however Transport for the North are actively managing a number of corporate risks in relation to rail.

##### ***Environmental Implications***

4.5 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 Network Rail, or scheme Promotor as part of the consenting process.

4.6 The Strategic Transport Plan highlights the substantial mode shift to rail (and other forms of public transport) needed to support the North's decarbonisation objectives.

##### ***Equality and Diversity***

4.7 A full impact assessment has not been carried out because it is not relevant to the type of work referenced. Proposed areas of focus include improving accessibility of the rail network where an Equalities Impact Assessment is being undertaken.

##### ***Consultations***

4.8 Consultations will be carried out by the appropriate body in development of any works outlined in the Transport for the North Rail Business Plan.

#### **5. Background Papers:**

5.1 There are no background papers to this report.

#### **6. Appendices:**

6.1 Appendix 1: Forward Plan for Rail North Committee in 2024/25

#### **Glossary of terms, abbreviations and acronyms used**

a)	TPE	TransPennine Express
b)	NTL	Northern Trains Limited
c)	EIA	Environmental Impact Assessment
d)	RNC	Rail North Committee
e)	SEA	Strategic Environmental Assessment

## Appendix 1: Forward Plan for Rail North Committee in 2024/25

Meeting	Key milestones	RNC paper/ discussion	Comments
June 2024	➤ Start of Operator Business Planning process for 2025/6	<ul style="list-style-type: none"> <li>❖ Accessibility Task and Finish outputs</li> <li>❖ Operational performance/recovery update</li> <li>❖ TOC Business Planning objectives</li> <li>❖ Rail Reform initial Proposition</li> <li>❖ May 2025 timetable changes</li> <li>❖ LNER business update</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility included on each agenda for the year</li> <li>• 6-monthly review of operator performance/recovery including Avanti, Northern and TPE</li> <li>• Rolling programme of all relevant operator updates</li> </ul>
September 2024	➤ Issue of Annual Business Plan requirements to operators	<ul style="list-style-type: none"> <li>❖ Accessibility Proposition/ Advice</li> <li>❖ Rolling Stock strategy update</li> <li>❖ Infrastructure Focus</li> <li>❖ Northern/ TPE specification review input</li> <li>❖ East Midlands Trains business update</li> </ul>	<ul style="list-style-type: none"> <li>• 6-monthly in-depth review of infrastructure and investment</li> <li>• Rolling programme of all relevant operator updates</li> </ul>
November 2024	➤ Restoration of TPE services December 2024	<ul style="list-style-type: none"> <li>❖ Accessibility Progress Update</li> <li>❖ Operational performance/recovery update</li> <li>❖ December 2024 timetable progress update</li> <li>❖ December 2025 timetable changes</li> <li>❖ Transport for Wales business update</li> <li>❖ Transport for the North Business Plan for 2025/26 and Member contributions</li> </ul>	<ul style="list-style-type: none"> <li>• 6-monthly review of operator performance/recovery including Avanti, Northern and TPE</li> <li>• Rolling programme of all relevant operator updates</li> </ul>
February 2025	➤ Operator Business Plan proposals	<ul style="list-style-type: none"> <li>❖ Accessibility Progress Update</li> <li>❖ Operator Business Plan proposals and budget</li> <li>❖ Grand Central business update</li> <li>❖ Infrastructure Focus</li> </ul>	<ul style="list-style-type: none"> <li>• 6-monthly in-depth review of infrastructure and investment</li> <li>• Rolling programme of all relevant operator updates</li> </ul>