

Quarterly Operating Report October – December 2023



1 Chief Executive's Introduction

- 1.1 The primary focus throughout this quarter has been reviewing the comments received through the consultation on the draft Strategic Transport Plan (STP) and preparing a revised final draft of the document for the Board's consideration. It was particularly pleasing to see the level of responses received surpassing the number received with the original Strategic Transport Plan, an outcome that was achieved using a variety of channels to promote the draft STP and encourage engagement.
- 1.2 The work to prepare the final draft of the STP was on track to enable it to be presented to the December TfN Board. However, the Prime Minister's decision to cancel the latter stages of HS2 and the subsequent publication of the Network North policy document meant that there was a need for TfN to reflect on the need for changes to the final draft of the STP. The TfN Board agreed that because of this need for reflection its consideration of the final draft would be put back to 20th March 2024. At the same time the Board considered the implications of the Network North policy announcement at its December meeting.
- 1.3 A consequence of the Network North policy announcement was to highlight the importance of having an investment pipeline. In this context it is worth noting that interest from TfN's partners in accessing support as part of the 'TfN Offer' continues to grow.
- 1.4 The North's rail services continue to be a key area of interest for TfN and its partners. It is welcome to see the annual business planning round for our two main operators including a specific reference as to be more explicit as to how their proposals support the wider levelling up agenda. Unfortunately, the experience of users on Avanti has continued to be a source of major frustration. An initial discussion at Rail North Committee left many Members' concerns unresolved and a further session with Avanti is planned for the Committee's February meeting.
- 1.5 Meanwhile, the proposals from the rail sector to amend the East Coast Main Line timetable in December 2024 served to emphasise the key role that TfN has to play in providing a pan-regional overview. Concerns expressed by TfN's partners in the North East were supported and amplified by TfN as a whole, and ultimately led to additional reassurances and commitments from the Department.
- 1.6 As we approached the end of 2023, the planning for our 5th Annual conference became ever more dominant. After having held conferences in Sheffield, Leeds, and Newcastle, it is great to be looking forward to taking it to Liverpool at the start of February. The conference is TfN's opportunity to showcase our work on behalf of the North and to work with our partners as the 'Voice of the North'.

2 BP1: Consult on revised Strategic Transport Plan - Summer 2023

- 2.1 The 12-week statutory consultation on the Strategic Transport Plan (STP) took place between May and August 2023. An independent Integrated Sustainability Appraisal (ISA) and Habitats Regulation Assessment (HRA) was also prepared and consulted on at the same time.

- 2.2 The draft STP has been updated by the TfN executive, working with its partners, to reflect the consultation feedback.

BP2: Publish Connected Mobility Strategy – Summer 2023

- 2.3 The Connected Mobility Strategy was launched in October 2023, with press events, podcast and insight pieces issued November. Reports and policy positions have been published, including papers on interoperability in contactless payments, information provision for passengers and policy positions on both rail retail reform and rail fares reform in the North.

- 2.4 Implementation of the strategy's outcomes is underway with a subsidiary 'Ticketing North' programme in development for 24/25. This is alongside delivery of a fares modelling work package to support the region's aims for simpler and fairer pricing.

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

- 2.5 The TfN executive have been working through the comments and feedback received through the consultation process. Having taken an initial steer from the TfN Board in September on how to address the key issues raised, the TfN executive have been working to update the STP document ahead of its formal consideration by the Board.

- 2.6 The intention was to present the final draft of the STP to the TfN Board for adoption in December 2023. However, on 4th October 2023, the Government announced the cancellation of Phases 2a and 2b of High Speed 2 (HS2). The announcement was accompanied by the publication of Network North document by Government.

- 2.7 The TfN Board agreed in December 2023 to defer approval of the final STP until March 2024 which would enable the final document to reflect the changes in Government policy, whilst at the same time ensuring that the need for investment in improved connectivity and capacity between the North and the Midlands is set out in the final version of the STP.

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

- 2.8 Policy position papers on Rail Reform continue to be developed, and TfN's Rail Reform proposition was shared with an internal Programme Board in December 2023. The proposition is undergoing further development in light of comments received.

- 2.9 The King's Speech on 7th November announced that the Government would publish a draft Bill during the Parliamentary session to allow pre-legislative scrutiny by MPs. Indications are that the draft Bill will be published in early 2024: TfN will prepare a submission to the Committee tasked with the scrutiny. This will emphasise the importance of protecting and building upon the current level of rail devolution that exists in the North.

BP5: Provide Annual STP Action Plan – March 2024

- 2.10 Discussions have been held with Executive Board on the proposals for implementation advice that will accompany the final STP. The Action Plan will form part of the annual business planning process, clearly

setting out what TfN will do as an organisation to support delivery of the framework set out in the STP.

- 2.11 The monitoring and evaluation dashboard will articulate how the North is performing against the headline and core metrics and a summary will be included in the TfN Annual Report. Work on developing the first version of the dashboard is on track and will be shared with partners in the New Year. It is planned that initial advice on implementation will be presented to the TfN Board, alongside the final STP, for its consideration at the meeting on 20 March 2024. This will be developed in more detail in the next financial year.

BP6: Update Future Transport Scenarios – March 2024

- 2.12 The project team has completed evidence reviews, TfN programmes lessons learned exercise, and significant engagement with Local Authorities and other stakeholders across infrastructure sectors to shape early considerations. Engagement has also taken place with academics to strengthen and inform the work, this includes Transport Focus, Committee on Climate Change, ITS Leeds, University of Manchester, and the School of International Futures. All of this is helping with the preparations for the first of two planned workshops, scheduled for January.
- 2.13 The update revisits the critical factors which will define the North's transport system such as demand on the networks and how solutions may need to evolve in support, and this will be embedded in TfN's analytical tools and evidence base.
- 2.14 Implementation of the TfN vision-led 'decide and provide' approach to planning will ensure continued accounting of future uncertainty, so that challenges, opportunities, and trade-offs are understood.

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

- 2.15 A draft of the Strategic Rail Report was published in May 2023 as part of the supporting documents for the draft STP consultation. Revisions to the document have been made in response to the consultation. The final document will be presented to the TfN Board at the 20 March 2024 meeting as part of the supporting documentation for the STP.

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

- 2.16 TfN submitted statutory advice on the Strategic Road Network (SRN) initial report, and a response to National Highways Route Strategy Reports and Connecting the Country masterplan in summer 2023. TfN is continuing to actively input to National Highways ongoing work on developing the future RIS pipeline.
- 2.17 Publication of draft Road Investment Strategy RIS (by the Department for Transport) is awaited: originally anticipated as likely to be in autumn 2023, this is now expected to be at some point in the first half of 2024. TfN will respond to the Government's draft RIS report when published.

- 2.18 In the meantime, the Network North policy document published by the Prime Minister committed additional funding to support the delivery of schemes already identified for delivery as part of the Major Road Network (MRN) programme. It also announced that there will be a MRN2: the timing of which has yet to be confirmed, with guidance expected to be published in early 2024.

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

- 2.19 TfN has consulted partners and key stakeholders on ambitions for improving bus services and patronage. The inaugural meeting of the Better Buses for the North forum was held in the autumn, with good attendance and engagement. As an initial discussion, the Forum has laid the foundations on which to build a more focused discussion at the pan-regional level, one that can support activities being taken forward at the city-region/local level. At the same time the TAME team continues to incorporate local bus information into the evidence base held by TfN (and which is accessible by all partners).
- 2.20 Following initial discussions at the December TfN Board, a substantive discussion on buses will be held at the March Board. The TfN executive is continuing to work with partners across the North to prepare statutory advice for consideration by the Board (likely to be June 2024).

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

- 2.21 Launched in September 2023, the TfN Offer sets out the tools, data, and information available to local authorities. The offer includes details of the “Off the Shelf Menu” which provides an in-depth overview of the various evidence, tools, and policies. This includes TfN’s Transport Related Social Exclusion (TRSE), Carbon Baseline and Electric Vehicle Charging Infrastructure (EVCI) tools.

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

- 2.22 Analytical tools have been developed and made available to partners that support them in their work, including TfN’s Clean Mobility, Electric Vehicle Charging Infrastructure and Bus Service Improvement Plan (BSIP) tools, whilst TfN’s Hydrogen Mobility Visualiser and the joint STB Carbon Assessment Framework are nearing completion
- 2.23 The TAME team continue to work with partners (both nationally and across the North) to identify further opportunities to develop TfN’s ‘offer’ in support of their work.
- 2.24 TfN’s work on EVCI has influenced thinking in the economic regulator (Office of Gas and Electricity Markets - OfGEM) about how they are organised to engage its stakeholders in its work.

3 Functional Reports
Strategy and Research
Progress in this Quarter

- 3.1 There has been a continued focus on finalising the revised STP and developing the initial implementation advice.
- 3.2 Implementation of the Freight and Logistics Strategy continues with a focus on stakeholder engagement and developing the evidence base. Responses were submitted on the Calls for Evidence on the Infrastructure for Zero Emission Heavy Goods Vehicles and Coaches Call in December 2023.
- 3.3 Development work continues on the Hydrogen for Mobility Visualiser tool and inputs into the Subnational Transport Body (STB) Carbon Assessment Framework. The latter will allow partners to test Local Transport Plan (LTP) policies and interventions against their bespoke carbon baseline and both tools are intended for release prior to March 2024. Progress is being made on an evidence review and modelling exercise to strengthen the evidence base around the wider costs and benefits of travelling by different modes, which will provide context for the TfN Decarbonisation Strategy update in the new financial year.
- 3.4 The summary document for the Northern Powerhouse Independent Economic Review (NPIER) was published in November 2023 and TfN has led on the development of the transport related policy positions for the Convention of the North (to be held at the beginning of March 2024).
- 3.5 The Transport-Related Social Exclusion (TRSE) survey, which examined transport behaviours and perceptions, and the impacts that poor quality transport has on everyday life, has been completed. It engaged with over 1,400 respondents and the findings will be published in February 2024. Engagement with local and regional partners to integrate TRSE data and evidence into LTPs, investments, and strategies continues.
- 3.6 The TfN Northern Transport Voices (NTV) panel has supported work on rural mobility hubs, rail station ticket office closure proposals and plans to launch a survey on rail station accessibility. The panel will also be involved in focus groups to support TRSE research.
- 3.7 TfN has developed the rural mobility evidence base to support partners in developing business cases for rural areas. A final report will be used to inform the review of DfT's policy paper for innovation in rural transport.

Priorities for next Quarter

- 3.8
 - The STP will be presented for approval to the TfN Board (20 March 2024). This will be accompanied by an Integrated Sustainability Appraisal and Monitoring and Evaluation dashboard,
 - Develop the initial implementation advice, which will consider the development of a Northern Appraisal Framework and an Investment Pipeline,
 - Develop and begin implementing the programme for the decarbonisation strategy update, as well as plans for engagement and consultation,
 - Conclude the research workstream around the proportionate costs of travel,

- Finalise the research strategy, establishing the programme of activity for economic, social, and environmental research for next 12 months,
- Conclude research on the impacts of the Covid-19 pandemic on Transport Related Social Exclusion.

Strategic Rail

Progress in this Quarter

- 3.9 The cancellation of the latter phases of HS2 (and the related Network North policy announcement) affects many of the programmes across the North and this has led to increased engagement with Network Rail, Department for Transport (DfT) and other partners, as the TfN executive looks to build an understanding of the impact and likely interventions. This work underpinned the report to the TfN Board in December that sought to place both announcements into the context provided by TfN's work on the STP.
- 3.10 The TfN Board in considering that report was clear as to their expectation the working arrangements associated with TfN's Northern Powerhouse Rail (NPR) co-sponsorship role will be strengthened. In particular, the Board was clear as to the importance of TfN's views being actively sought in relation to any revised and/or new remits of work commissioned as a consequence of Network North.
- 3.11 Development of TfN's Rail Investment Pipeline and Blueprint for the North has continued, with a baseline high level Blueprint produced identifying key programme integration issues which will inform industry engagement in early 2024.
- 3.12 TfN has continued to provide the leadership of the TransPennine Route Upgrade (TRU) Stakeholder Forum in support of the overall TRU programme. Work supported has included the development of a draft station design guide and toolkit for stations on the route and to champion greater customer awareness of disruption. The next of the regular briefing updates for the TfN Board by the TRU programme is scheduled for spring 2024, just over a year out from the start of major blockades as construction work ramps up.
- 3.13 The work of the Rail North Committee in November highlighted a number of serious concerns relating to the proposed December 2024 East Coast Main Line (ECML). These concerns were escalated to DfT and resulted in a meeting between the Chair and the Rail Minister. TfN obtained subsequently assurances from Huw Merriman, the Rail Minister, on future infrastructure commitments and service development ahead of the TfN Board in December. After an extensive debate, in which a number of negative impacts were flagged by representatives from the North-East, the Board agreed to the proposed timetable change.
- 3.14 Following the RNC establish an Accessibility Task and Finish Working Group, TfN has begun to co-ordinate dialogue across the industry and is developing a set of actions for the Committee to consider on the future.
- 3.15 TfN has worked to embed Connected Mobility within ongoing national programmes, on Pay as You Go including the national Fares, Ticketing and Retail Programme on Rail and as a conduit for ongoing work on the

bus broker programme. Initial work on developing a 'Ticketing North' proposition has begun, with a focus on infilling capability and capacity challenges.

Priorities for next Quarter

- 3.16
- Work with partners on developing a 'Ticketing North' Partnership,
 - Finalise the Strategic Rail Report (as informed by stakeholder and partner feedback) and submit as part of the STP supporting documentation report to TfN Board at the meeting on 20 March 2024,
 - Develop the proposals for accelerating delivery of accessibility improvements at stations through the Rail North Committee Accessibility Task and Finish Group,
 - Further development of the Rail Reform Proposition in anticipation of the need to feed into pre-legislative scrutiny of draft Bill.

Major Roads

Progress in this Quarter

- 3.17 Work is nearing completion on developing the functionality of the public transport modelling tool, which covers bus and light rail. TfN has engaged with partners and DfT on the development of the modelling tool and aim for it to be available to partners via an online visualisation early in the next financial year.
- 3.18 TfN continue to facilitate collaboration and the sharing of best practise between its partners and subject matter experts via the Better Buses for the North forum. The group will provide input and feedback on the development of TfN's advice to government on delivery of ambitions for improving bus services. And provides a mechanism for supporting local authorities with the delivery of Bus Service Improvement Plans.
- 3.19 TfN has continued to further develop the Electric Vehicle Charging Infrastructure (EVCI) toolkit and will launch updates in February 2024. These include the capacity to monitor charge point delivery against forecasted need, mapping of rapid charger demand on the road network, and the impacts of Ultra Low Emission Vehicle (ULEV) price accessibility on charging demand.
- 3.20 A further phase of EVCI development focussing on enhancing the systems approach is underway. This includes continuing to work with the energy sector to integrate electricity grid capacity and capability with the TfN understanding of regional charging requirements, highlighting areas which may need support to reach a whole network solution across the region and working with spatial partners such as Ordnance Survey to extend spatial and land-use evidence and considerations.
- 3.21 Informed by the ECVI work, TfN has submitted a comprehensive response to national government consultation on the rapid charge fund, highlighting the role that the evidence held and made available by TfN can play, along with the benefits of and potential for, more collaborative working with TfN, our partners and the energy sector.
- 3.22 TfN continues to support Local Authorities when applying this toolkit to their own activities. Work also continues with other Subnational

Transport Bodies on the rollout of the EVCI tool to cover England (outside of London).

- 3.23 Work has commenced on updating the TfN Future Travel Scenarios, including a series of workshops with industry, academic, and with local authority partners. (See BP6 above).
- 3.24 A round of engagement with partners discussing challenges with delivery of the current Major Road Network and Large Local Major Programme has been completed and work on development of a future programme of MRN investment has been initiated. Feedback from partners has informed TfN's ongoing advocacy on the need for additional DfT funds for the current programme of schemes to be delivered (announced in Network North) and the development of a framework for assessing proposed schemes for the new MRN programme (£1Bn announced for the North).
- 3.25 Work has started on a 'level of service; analysis of the Major Road Network' (MRN), which will provide evidence to inform MRN investment choices.
- 3.26 Regular engagement with National Highways continues, contributing to development of RIS pipeline studies and business cases, and supporting partners in sharing of information on RIS studies.

Priorities for next Quarter

- 3.27
- Respond to the draft RIS once published (expected in March 2024),
 - Work on prioritisation of TfN's Investment programme,
 - Input to development of the DfT MRN2 funding guidance,
 - Shaped by the STP ambitions and objectives and develop and agree with partners the framework for assessing proposed MRN schemes,
 - Complete the 'level of service' analysis of the MRN,
 - Work with partners on developing a pipeline of MRN schemes,
 - Launch the updated EVCI tool and progress work on the development of evidence on the energy requirements to support EVCI,
 - Continue to work with partners in developing draft statutory advice on buses and launch the public transport model.

TAME (NPR and Core)

Progress in this Quarter

- 3.28 Three key contracts have been awarded to suppliers:
- Visualisation Framework - This will build the foundations for consistent approaches developing dashboards and visual outputs for a wide range of TfN and DfT projects,
 - Northern Rail Modelling System (NoRMS) Behaviour Survey Scoping – Preparation work for a major data collection exercise to overhaul the NoRMS variable demand model and improve the quality of evidence for rail business cases,

- Northern Model Integration Tools (NorMITs) Demand contract – Improving quality and spatial granularity of data feeding into strategic transport models.
- 3.29 The TAME team has continued to provide support on the roll-out of the Electric Vehicle Charging Infrastructure (EVCI) programme, both within the North and across Subnational Transport Body geographies.
- 3.30 A high-level refresh of the Strategic Outline Business Case (SOBC) for Northern Powerhouse Rail (NPR) has been completed and preparations for a detailed SOBC for NPR in Bradford throughout 2024.
- 3.31 Work has commenced on several short-term projects with current suppliers including the rail Network Builder and localising the Northern Highway Assignment model to increase potential use by Local Transport Authority (LTA) Partners.

Priorities for next Quarter

- 3.32
- Recruitment of five new roles in response to increasing levels of service across all programmes,
 - Continuing with the roll-out of analytical products to Subnational Transport Bodies, including the Common Analytical Framework,
 - Providing support to LTAs with decarbonisation analysis and evidence for Local Transport Plans,
 - Continuing with a detailed NPR SOBC refresh post cancellation of HS2 Phase 2a/2b,
 - Undertake initial modelling sensitivities to feed into optimisation of the network following the Network North policy announcement,
 - Further early work on NPR in Bradford to prepare for more intensive work from Q1 2024/25.

Rail North Partnership

Progress in this Quarter

- 3.33 The RNP team has worked with the TransPennine Trains (TPT) team on the launch of the company's new Prospectus for Transformation – supporting early initiatives for stabilisation, including the stepped-down December 2023 timetable, which is intended to allow the operator to catch-up on the backlog of driver training, occasioned in the first instance by the loss of Rest Day Working (RDW) upon which the operation was reliant.
- 3.34 There has been a focus on performance and recovery with Northern Trains Limited (Northern) which has also secured the return of RDW, which has allowed the significant reduction on-the-day cancellations rates and will also allow a focus on driver training, including in support of the TransPennine Route Upgrade (TRU).
- 3.35 There has been engagement with partners in supporting consideration of the proposed East Coast Mainline Timetable change for December 2024, and developing timetables for Manchester, through the work of the Manchester Task Force.

- 3.36 Work has progressed with the operators on the Annual Business Planning process and testing the operators on the efficiency initiatives to ensure that sufficient money and resources are secured to protect services and continue post-Covid growth back (in the form of Levelling Up plans unique to the North's two co-managed operators).
- 3.37 The TPT and Northern plans for rolling stock procurement (large scale replacement of aging Northern fleets and new trains for both operators to run services on the upgraded TRU route) continued to be move through Department for Transport governance.
- 3.38 The increased workload across annual and future planning has seen a review of the team structures and make representation to the Department for Transport for some marginal additional resource.

Priorities for next Quarter

- 3.39
- Completion of the Annual Business Planning Processes for 24/25 in time for the commencement of the new financial year both for the baseline of operator services and for TRU,
 - Begin discussion with the Rail North Partnership Board on options for a new Baseline Service Specification for Northern and TPT looking to move from the restrictions of the Annual Business Planning process and onward to a more strategic means of securing Levelling Up for services in the North,
 - Continued focus on workforce and service reform issues and the wider industrial relations landscape,
 - Preparation for a considerable uplift in activity in the TransPennine Route Upgrade programme and increased operator involvement in supporting the programme,
 - Continued involvement in rolling stock procurement as the operators pass important governance hurdles,
 - Continuation of the RNP Management Team review to reflect the growing size and responsibilities.

Communications and Engagement

Progress in this Quarter

- 3.40 Work to develop and plan for the TfN Conference in Liverpool on 5 February 2024 has been a key focus. With over 350 delegates, the Secretary of State for Transport, elected Mayors, Council leaders, industry chiefs and a wide variety of stakeholders and media, the event is anticipated to be a sell-out.
- 3.41 Assets for the conference were produced to promote TfN and its key message: Transform the North.
- 3.42 Engagement with colleagues at Department for Transport (DfT), National Highways, Network Rail, HS2, Great British Railways Transition Team (GBRTT) and Train Operators.
- 3.43 The team has also engaged with, and supported the establishment of an Accessibility Task and Finish Group

Priorities for next Quarter

- 3.44
- Coordination with Subnational Transport Body communication group colleagues over the STB conference in Manchester on 28 February 2024 and attendance,
 - Stakeholder engagement that arises from the first meeting of the Accessibility Task and Finish Group,
 - Submission of Chartered Institute of Highways and Transportation (CIHT) 'Team of the Year' Award entry,
 - Continuing engagement with the communication teams for the TransPennine Route Upgrade and any external engagement that arises.

People and Finance

HR Metrics – 2023/24 Year-to-Date (As at 2 January 2024):

3.45 **Establishment - Permanent/Fixed-term Posts**

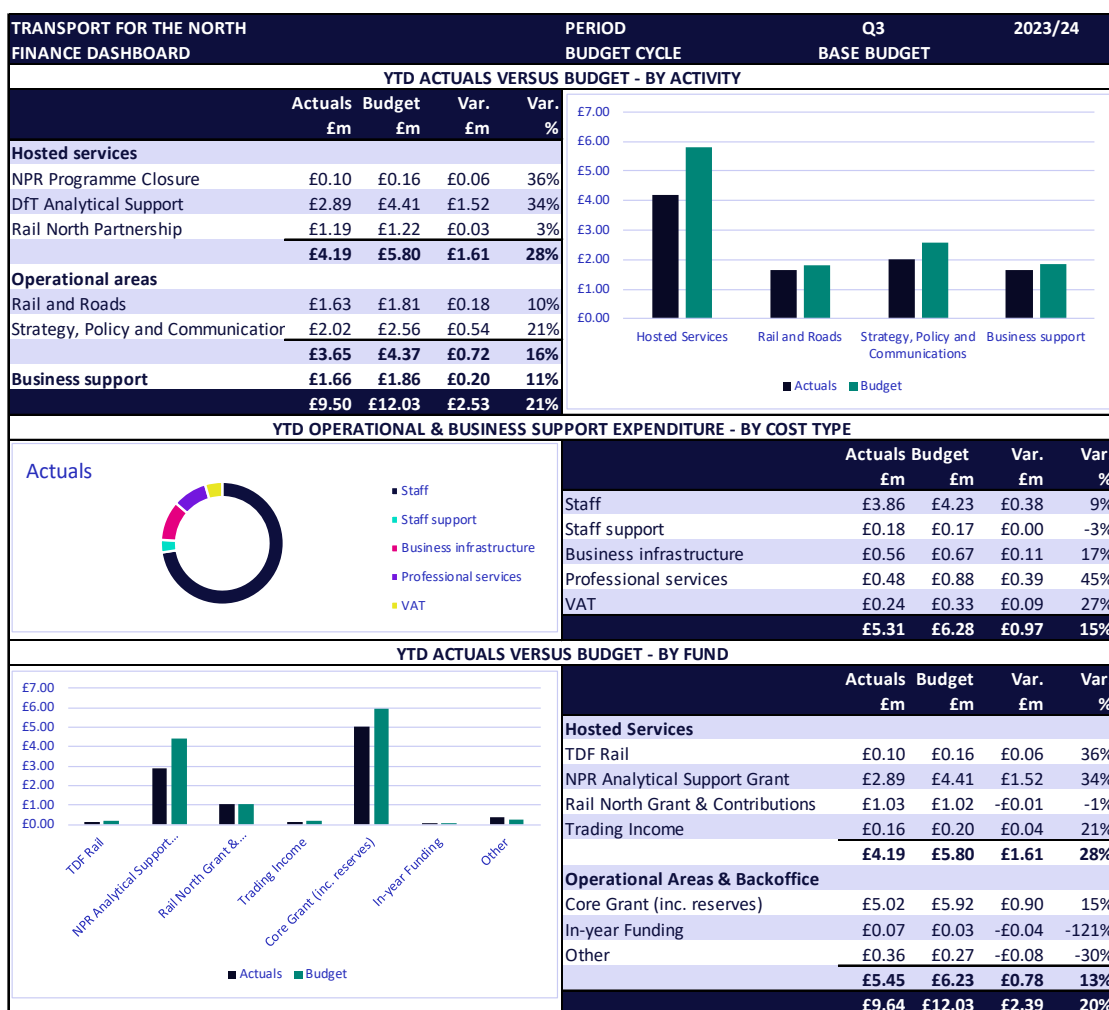
Area	Permanent (< 2 Years)	Fixed-Term (< 2 Years)	Total Posts
CEO Office	2	-	2
Support Services	19	-	19
Operational and Delivery	49	-	49
DfT Data Services (Hosted)	24	-	24
Rail North (Hosted)	14	3	17
Total Establishment	108	3	111
Strength (In Post)	101	3	104
Appointed (Start Date Pending)	-	-	-
Pending/Active Recruitment	1	-	1
Vacant – On-hold	6	-	6

HR KPI's – 2023/24 Year-to-Date:

Corporate Sickness Level:	2.4%
Employee Turnover (Voluntary Leavers):	9.1%
% of Employees from an Ethnic Minority Background:	18%
% of Employees declaring a Disability:	19%
Gender Mix - % of Female Employees:	38%
% of Male Employees:	62%

Finance

3.46



Progress in this Quarter

- 3.47 Total expenditure Year to Date (YTD) is £9.5m, £2.4m (20%) below base budget.
- 3.48 The underspend is mainly due to work associated with DfT Analytical Support, partly due to vacancies in the team but primarily because of the delay in agreeing the workplan for the year (it was agreed in Q2 2020/24).
- 3.49 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.

Priorities for next Quarter

- 3.50
- Produce Business Planning document for Scrutiny and Board,
 - Forecast the 23/24 Outturn position,
 - Year-end close.