

Transport for the North Board Minutes

**20 March 2024
Hilton City Leeds**

Present:

Lord McLoughlin (Chair)

Attendee

Cllr Mark Smith
Cllr Sam Corcoran
Cllr Louise Gittins
Cllr Denise Rollo
Cllr Anne Handley
Mayor Andy Burnham

Cllr Mark Ieronimo
Cllr Rupert Swarbrick
Mayor Steve Rotheram
Cllr Martin Gannon
Cllr Stewart Swinburn
Cllr Tim Mitchell
Cllr Tom Hunt

Cllr Stephen Harker
Cllr Hans Mundry
Cllr Neil Hughes
Mayor Tracy Brabin
Cllr Peter Kilbane

Local Authority

Blackpool;
Cheshire East;
Cheshire West & Chester;
Cumberland;
East Riding of Yorkshire;
Greater Manchester Combined
Authority;
Hull;
Lancashire;
Liverpool City Region;
North East Combined Authority;
North East Lincolnshire;
North Lincolnshire;
South Yorkshire Mayoral Combined
Authority;
Tees Valley;
Warrington;
Westmorland and Furness;
West Yorkshire Combined Authority;
York and North Yorkshire Combined
Authority;

Local Enterprise Partnership (LEP) Attendees

Clare Hayward
Justin Kelly
Mark Rawstron

LEP Chair
Greater Manchester LEP
Lancashire LEP

Partners in Attendance:

Steve Montgomery
Andy Mellors
Stephen Fidler
Andy Rhind
Richard Leonard
Rob McIntosh

Avanti
Avanti
DfT
DfT
Highways England
Network Rail

Officers in Attendance:

Name
Martin Tugwell
Katie Day

Job Title
Chief Executive
Director of Strategy, Analysis and
Communications

Gary Rich
Paul Kelly
Julie Openshaw
Rachel Ford
David Hoggarth
Kirsten Keen

Owen Wilson
Darren Oldham
Alex Woodall
Joanne Barclay

Democratic Services Officer
Finance Director
Head of Legal
Head of Strategic Policy and Research
Head of Strategic Rail
Major Roads Planning and Scheme
Development Officer
Major Roads Strategy Manager
Rail and Road Director
Rail Reform Advisor
Senior Solicitor

Item No:

1. Welcome & Apologies

1.1 The Chairman welcomed Members and apologies were noted from Mayor Driscoll, Cllrs Kemp, Renwick, Wharmby and David Williams as well as Helen Simpson and Alexandra Batey.

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 14 December 2023 were considered.

3.2 Members received a written update on matters arising including a copy of the Quarterly Operating Report from the Chief Executive. He highlighted the success of the TfN Conference in Liverpool, and that the intention is to go to York for the 2025 event.

3.3 He also highlighted the commitment given by the Rail Minister at the TfN conference on the extension of the Midland Main Line electrification through to Sheffield. He explained that TfN may be approached by colleagues in the Midlands for support on the business case for the scheme; if this happens, he advised that TfN would support this.

3.4 He informed the Board about the positive news on the A66 dual carriageway upgrade. Mr Richard Leonard provided further detail, explaining that approval for the Development Consent Order (DCO) to proceed with the works has been given. The window for challenges against the decision lasts until the end of April; if there is no legal challenge then the work can proceed. Some preparatory work is taking place pending the outcome. Additionally, approval to submit the DCO for the Simister Island interchange in North Manchester has also been given: a scheme that has been previously identified as a pan-regional priority.

3.5 On the issue of diversity raised at previous meetings the Chief Executive stated that he had met with the Chair and Vice Chairs to discuss this and referred Members to the note in his update. In addition, he highlighted how the voice of young people at the Convention of the North had

brought an energy and a different focus to the conversation. He is keen to build on the momentum and has asked the Director of Strategy Analysis and Communications to examine this further in the context of how TfN might do something similar.

- 3.6 Mayor Brabin supported the update on diversity, commenting that the Board needs to ensure it reflects the views of the communities Members serve. She sought reassurance that lived experience is as important as data; the Chief Executive provided this reassurance.
- 3.7 On the matter of the A66 Cllr Hughes commented that whilst the A66 dualling has positives, parking issues need to be resolved in towns such as Keswick and Penrith.
- 3.8 Responding to a question raised by Cllr Hughes, Mayor Brabin commented that the Citizens UK partnership (involved in the Convention of the North) is a separate organisation, and her team would need to check what involvement had been from the Cumbrian perspective and return to Cllr Hughes on this.
- 3.9 The Director of Strategy, Analysis and Communication provided an update on the Northern Transport Voices panel, explaining that this is a representative panel of communities across the North, and it is the intention to grow it from 600 to 2,000 individuals over the next year. She also noted that TfN hopes to establish the aforementioned stakeholder/community panel over the next six months.
- 3.10 The Chief Executive advised the Board that the Rail & Road Director will be leaving his post at the end of May and the recruitment process has already begun. He expressed confidence that there will be a good response to the advert. He added that the Director of Strategy, Analysis and Communications will take over as the Deputy Chief Executive, in addition to their current responsibilities, with effect from 1 April. The Chief Executive placed on record his thanks to the Rail and Road Director for all his hard work.
- 3.11 The Chair echoed the Chief Executive's thanks to the Rail and Road Director and congratulated the Director of Strategy on her new role. Mayor Burnham as Chair of the Rail North Committee also echoed these sentiments.

Resolved:

- 1) That the minutes of the Transport for the North Board held on 14 December 2023 be approved as a correct record.
- 2) That the written Matters Arising update and the Quarterly Operating Report be noted.

4. Avanti West Coast Performance

- 4.1 The Chair welcomed Mr Steve Montgomery to the meeting and thanked him for his attendance. In introducing the item, he highlighted the deep concerns of Board Members on the performance of services on the West Coast Mainline.
- 4.2 Mr Montgomery stated that Avanti West Coast has experienced a number of issues and apologised for the inconvenience caused to customers and

- stakeholders. He recognised that service levels have fallen below the levels that customers might reasonably expect.
- 4.3 He explained that this arises from a number of complex issues. He highlighted that since October 2023 the number of Avanti caused cancellations has grown and was approximately 7% in the last period. He attributed this to national disputes, as well as the removal of rest day working agreement at Avanti which has impacted on driver training and the business. This in turn has impacted on delivery of services on certain days of the week, with Saturdays proving a particularly difficult day.
- 4.4 In order to address the issues Avanti has been working with the Trade Unions and extra resources have been provided from First Group, but they have had difficulty with the lack of flexibility. He explained that they are working closely with ASLEF to establish more cooperation and have now secured a new rest day working agreement.
- 4.5 He informed Board that Avanti is now starting to take delivery of a new fleet of trains and has begun to train drivers, which has caused some additional pressures. The rest day working agreement will allow faster training leading to the introduction of these trains in the summer.
- 4.6 He stated he will seek to improve communications with the North and wants to meet regularly with Northern leaders.
- 4.7 Mr Andy Mellors provided an update on the second hourly service to Liverpool. He stated that the new trains will help enable this to be delivered but noted that this would only happen once there is the operational resilience to do so.
- 4.8 Cllr Gittins expressed her frustration that the Cheshire and Warrington areas are not seeing improvements to services, which has been the case for the last 18 months. She commented that she is unable to see how things will improve in the short and medium term and expressed concern at the impact that an additional service to Liverpool will have on the North Wales line.
- 4.9 Mr Montgomery apologised for the disruption in services along the North Wales main line to/from Chester. He explained that the restoration of the rest day working agreement and training of three new drivers in the Holyhead area will help make services in the area more reliable at the beginning of April.
- 4.10 Ms Clare Hayward stated her belief that Avanti has lost the trust and confidence of the business community which is impacting on the ability of businesses to deliver for their customers. She also observed that from her experience of travelling extensively on Avanti there is a lack of trust amongst Avanti's employees towards the company. She expressed concern about the level of resilience in the company's training and workforce planning system and is not confident that they can return to a level of service with the necessary level of trust and culture within the business. She believes that there is much work to do and is not convinced that Avanti is able to deliver what is required.
- 4.11 Mr Montgomery admitted that Avanti has much to do but observed that the industrial relations issue is an industry wide problem, and that it is

difficult for both staff and management. He stated that they know how many people they have and what the plan to move forward needs to look like. He recognised that the only way Avanti can give confidence is by delivering services daily. He stated that the RMT negotiations are almost complete, and more work is required with ASLEF.

- 4.12 Mayor Brabin commented that the Avanti situation echoes what happened with TPE and stated that whatever happens the owning group (which is the common factor) never takes responsibility. She highlighted the impact that Avanti's poor service is having on local services such as TPE services between Leeds and Manchester, which are becoming overcrowded as a result as customers avoid using Avanti. She requested information about the discussions that are taking place with TPE and LNER about the impact this is having on their capacity and budgets.
- 4.13 In response Mr Montgomery stated that there is industry co-operation when there is disruption.
- 4.14 Mayor Rotheram commented that the impact of poor services on areas and their economies is the main issue and that train operating companies cannot operate in isolation. He added that the only area in the country that has not had industrial relation problems is Merseyrail because he had instructed the company to find a settlement through meaningful negotiations.
- 4.15 He continued by stating that the deterioration in Avanti services has impacted on the area's economy because passengers will not travel if they do not have confidence in their journeys. He emphasised that improved services must be delivered, to specified deadlines, in order to reassure the public.
- 4.16 Cllr Rollo expressed frustration that Cumbrian residents find that all too often Avanti terminates services at Preston rather than continue northwards. Experience shows that in such circumstances there is often no support for customers looking to continue further; she sought reassurance that operational resilience extends further than getting services from London just to Preston.
- 4.17 On paragraph 5.8 of the report relating to the second service to Liverpool operating in diesel mode between Crewe to Liverpool, Cllr Corcoran asked what is being done to address restore the power supply issues between Crewe and Liverpool, which trains will be used to provide the second Liverpool service and where they will originate from. Additionally, he sought reassurance that there will be no restrictions on the Crewe to Chester route.
- 4.18 In response to Members' questions and comments, Mr Montgomery addressed a number of issues. Regarding the second Liverpool service he stated he is aware of the impact on the economy of current poor performance and believes that services will improve in the area. He recognised the importance of rectifying the issues with the current hourly service before considering a second train. He said the new trains to be used are "bi modes" (a mix of diesel and electric) with the diesel element used in areas where the lines are not electrified/power supply is limited.

- 4.19 Addressing the issue of services running North of Preston, he stated that the reliability issues being experienced are a result of historical leave issues and this has impacted on the number of services running from Preston to Scotland.
- 4.20 Mayor Burnham highlighted the seriousness of the situation and the huge damage that the poor performance on the West Coast Main Line has done to the Greater Manchester economy over the last two years, leading to low levels of trust in the company. He presented a number of pieces of data on service reliability and cancellations which illustrated the extent of the poor performance. Mr Montgomery accepted that the data illustrated the scale of the problem.
- 4.21 Mayor Burnham concluded that he was not reassured with the answers provided by Mr Montgomery during the debate and in particular he did not believe the company was accepting responsibility for the situation as it should.
- 4.22 The Chair thanked Mr Montgomery and his team for attending and highlighted the deep concerns that Members of the Board had expressed about the service that is being provided and stressed the need for the improvements outlined to come to fruition. He emphasised the importance of the Mayors and other political leaders as voices for their areas and their expression of what their electorate, passengers and businesses are feeling about Avanti's performance.
- 4.23 Cllr Gittins moved that Board adopt the second recommendation set out in the report at paragraph 7.1. This was seconded by Cllr Swarbrick.
- 4.24 Board voted on the proposal which was unanimously passed.

Resolved:

That Board submits Statutory Advice to the Secretary of State for Transport that Avanti West Coast's contract should be terminated at the earliest possible opportunity (with the Operator of Last Resort taking on responsibility in the short term for the delivery of long-distance services on the West Coast Main Line).

5. Transforming the North: Strategic Transport Plan Approval and Adoption

- 5.1 The Chair thanked the Director of Strategy, Analysis and Communications and her team for all their work on getting the final version of the STP to the position where it could be presented to the Board for its approval and adoption.
- 5.2 Members received the report from the Director of Strategy, Analysis and Communications who then outlined the key aspects of her report, including that final proof-reading was taking place and the proposal to add an explicit reference regarding support for an underground station at Manchester Piccadilly: the latter reflecting previously adopted TfN Board position in respect of NPR.
- 5.3 Cllr Gittins was pleased that the STP views the North as a whole, as well as on a place base level, and emphasised the importance of this. She

- was also glad to see a recognition of the scale of the challenge and the inclusion of short-term goals and emphasised the importance of using the STP to make progress at pace.
- 5.4 Cllr Hunt welcomed the inclusion of reference to the potential for tram-train. He explained that South Yorkshire wants to expand the super tram network and views tram-train as central to this.
- 5.5 Mayor Brabin stressed the necessity to be mindful about the present as well as looking to the future. She emphasised the importance of the T-shaped station being built in Leeds, without which, she believes, there will not be a “fit for purpose” network across the North that will allow the ambitions in the plan to be realised. She also stated that insurers are now no longer insuring car clubs, so this reference within the final Plan may need to be looked at.
- 5.6 Mayor Burnham made specific reference to the importance of referencing the underground station at Manchester Piccadilly, on the new line from Manchester to Liverpool via Warrington. He emphasised the importance of this for resilience not just for Manchester, but for the wider rail network across the North.
- 5.7 He also suggested that TfN capture the “bottom up” place base approach to transport planning, where the infrastructure supports what is sought to be achieved and where political voices, business voices and other stakeholders are all involved. He believes this approach will underpin all the ambitions in the STP.
- 5.8 The Chair highlighted the importance of the station areas and how transformational they are and agreed with both Mayor Brabin and Mayor Burnham on the importance of the T-shaped station in Leeds and the underground station in Manchester.
- 5.9 Cllr Rollo was pleased that the plan recognises the challenges facing rural areas and the need to improve accessibility in these areas.
- 5.10 Ms Hayward stressed the importance of continued engagement with business following the adoption of the STP and welcomed the commitment for this to continue to be enhanced.
- 5.11 Mr McIntosh in responding to the comments about stations, supported the emphasis being given to their importance and of the railway companies seeing stations as belonging to their communities and economies. He commented that over the years it can be seen that good investment in stations can be transformative to economies and provided examples over recent years with plans at Leeds and Bradford. He confirmed that Network Rail is working with Mayor Burnham in Greater Manchester and is spending more time supporting Crewe on station related matters.
- 5.12 Cllr Smith raised the need for further investment in the North Station in Blackpool to improve the passenger experience and requested TfN’s support with this.
- 5.13 Cllr Corcoran highlighted that whilst the STP takes into account the cancellation of the HS2 Northern leg and the announcement of Network North, it does not portray the scale of the impact of this decision for

- Crewe and the lack of any compensation to mitigate the damaging losses to the town, the Borough, the Council, and the wider sub-region.
- 5.14 He then outlined the economic cost of this decision to the area as well as the loss of long overdue investment to Crewe Station. He informed the Board that recently he welcomed Mayors Burnham and Rotheram to Crewe to discuss the importance of Crewe as a regional rail hub to the North West. Mayor Burnham had discussed the work to look at the alternatives for improving rail connectivity between the West Midlands and Manchester as well as his hope that any alternatives will see more services call at Crewe and not bypass it. He requested TfN's endorsement of this message to ensure that Crewe continues to play a critical role in the future of rail and rail freight for the North, Midlands and Wales.
- 5.15 On the issue of freight, Cllr Corcoran welcomed the STP section on rail freight with its emphasis on a modal shift from road to rail. He stated that Crewe can play a vital role in this due to its location and the fact that it has Basford Hall Freight Yard one of the largest freight yards in the UK. He then requested TfN's endorsement of the need for capacity improvement through Crewe and a package of measures for Crewe station.
- 5.16 In support of Cllr Corcoran, Mayor Burnham started by noting that the West Coast Mainline will be full by the 2030s. He explained that interim work has been concluded by the private sector working group and has recommended that a new line is needed between Handsacre and High Legh and that any new line needs to go through Crewe. He believes that this needs to be captured in the STP.
- 5.17 The Chair agreed with Mayor Burnham that this needs to be included but did not want to hold up the approval of the SPT and suggested that this could be added as an addendum.
- 5.18 On the issue of stations, Mayor Rotheram stated that areas do work on the stations, but they do not own them; in the Liverpool City Region they have entered into a Memorandum of Understanding with the Department for Transport to examine taking over the running of them as they can access options which Network Rail cannot. He added that that the only way to make stations accessible is to invest in them.
- 5.19 Cllr Ieronimo suggested the inclusion of smart technology and artificial intelligence in the document, or at the very least represented areas to explore further as part of the implementation of the STP.
- 5.20 Mr Andy Rhind confirmed that the TfN executive had worked closely with DfT officials throughout the development of the STP and stated that he would be happy to present the STP to Ministers as statutory advice.
- 5.21 In response, the Director of Strategy, Analysis and Communications acknowledged the points made by Cllr Corcoran and stated that this could be included in the more detailed implementation advice. She highlighted that whilst HS2 phases 2a and 2b are now no longer the policy option there remains the need for connectivity and capacity and alternative proposals are required. She stated that the STP makes

reference to this evidence, and also of the need to capitalise on the economic potential of Crewe. She suggested two minor amendments to (a) reference capacity between Handsacre and High Legh, and (b) reference to capacity at Crewe and addressing congestion South of Crewe. Cllr Corcoran and Mayor Burnham welcomed these amendments and acknowledged the reference to safeguarding the route that is already within the STP.

- 5.22 The Board unanimously voted to approve and adopt the STP, incorporating the amendments as agreed by the Board.
- 5.23 Addressing the comments made by Mayor Brabin on the T- shaped station in Leeds and also Piccadilly Station, the Chief Executive reassured Board that these are pan regional priorities (a position set out in the paper to the Board on 14 December) and TfN is including these into conversations with the DfT and the Sponsorship Board.
- 5.24 Addressing the strong support for embedding the “place base” approach that forms a key part of the STP, the Chief Executive highlighted the strong relationship that the TfN executive has been developing with the Department for Levelling Up, Housing and Communities.

Resolved:

- 1) That Board notes and supports the work that has been undertaken to amend the STP post consultation and following the announcement of Network North.
- 2) That Board notes and supports the evidence base and documents to be published alongside the final STP, including the updated Integrated Sustainability Appraisal (ISA).
- 3) That Board approves and adopts the final STP as statutory advice to the Secretary of State for Transport.
- 4) That Board notes the proposed approach to monitoring and evaluation for the STP and that feedback/observations on the planned approach be noted.

6. Approval of the 2023 Accounts

- 6.1 Members received the report from the Finance Director who highlighted the key points within the report.

Resolved:

- 1) That Board notes the intention of Transport for the North’s independent external auditor to provide an unqualified, clean audit opinion.
- 2) That Board notes the recommendation of the Audit & Governance Committee to approve the Statement of Accounts for 2022/23.
- 3) That Board approve the Statement of Accounts for financial year 2022/23.

7. Budget and Business Plan 2024/25

- 7.1 Members received the report of the Finance Director. The Chief Executive then highlighted the key aspects of the report.

- 7.2 Mayor Brabin commented on the Transport Levy and the challenge facing local authorities and highlighted the increase in core funding assumed as part of the medium-term financial plan. She questioned how the gap is to be filled and enquired if she can return to her constituent authorities and inform them that the money is going to be put to good use in pursuing projects.
- 7.3 The Chief Executive explained that the funding available for the core budget and for work commissioned in support of NPR is agreed with the Department for 2024-25 (it forms the second year of the 2-year settlement awarded last year). The increase shown in core funding beyond 2024-25 included within the Budget will form the basis of discussions with the Department over the summer and into the autumn. In this regard the report centres upon TfN setting out what it believes is required from Government in order to support the continuation of activities. He explained that this is a conversation that needs to be had with the Department as part of the planning for the spending review.
- 7.4 Ms Hayward stated that when looking at the Northern Evidence Network it is critical to bring all the data together to analyse at a Northern and regional level.

Resolved:

- 1) That Board notes the draft Business Plan for 2024/25 and Members comments.
- 2) That Board approves the draft Business Plan and delegates authority to the Chair and Chief Executive of Transport for the North to undertake the steps required to finalise the Business Plan.
- 3) That the forecasted outturn for 2023/24 and the projected closing reserves as of 31 March 2024 is £3.6m be noted.
- 4) That the proposed use of reserves of £1.3m in 2024/25 be approved.
- 5) That the budget for 2024/25 be approved.

8. Corporate Risk Register and Risk Management Strategy

- 8.1 Members received the report of the Risk Manager, and the report was taken as read.
- 8.2 Cllr Hughes asked if TfN is fully prepared should HS2 up to the North be re-instated as originally proposed.
- 8.3 Mayor Brabin highlighted the changing landscape of transport and the role of Great British Rail. She stated that one of the biggest risks to TfN is the original purpose of the organisation becoming redundant as the transport landscape changes and believes that this should be included within the risk register.
- 8.4 Mayor Burnham, whilst agreeing the transport landscape is changing, highlighted the important, and continuing, work that TfN has done over the years including keeping guards on trains, saving the ticket offices and bringing Northern and TPE into the Operator of Last Resort. He believes that TfN will continue to evolve in its role, potentially moving away from its current advocacy role and more into an adjudicatory one over the next decade.

- 8.5 The Chief Executive responded noting that the Risk register makes explicit reference to the monitoring of the political environment particularly in the context of a general election and the implications for TfN's objectives. He noted the way the Board worked together recently on a pan-regional level to highlight the strategic importance of the link from Manchester to Newcastle as a further example of the added value of TfN.
- 8.6 He highlighted the evolution of the organisation during his time as Chief Executive and how that reflects the growth in the role of the Metro Mayors and the focus given to TfN's priorities in terms of adding value at the pan-regional level. In that regard he proffered the view that the Business Plan reflects the priorities of the Board as a whole. He stated TfN is aware of the risks and how the position is evolving. He wishes to work with the Board over the next year in order to ensure TfN stays focused on what is relevant to Board at a pan-regional level whilst supporting and complementing work at a city regional level.

Resolved:

That Board notes TfN's corporate risks and risk management activity over the last 6 months.

9. Governance Update

- 9.1 Members received the report from the Head of Legal which was taken as read. Members were then invited to ask questions and make comments.
- 9.2 Mayor Rotherham referenced that the governance structure allows for representation of Trade Unions and suggested that following on from having senior officers from Avanti attend to answer questions from Members something similar could be done for the Trade Unions.
- 9.3 Ms Hayward highlighted the importance of TfN retaining a strong business voice particularly with the change in structure to the LEPs by the end of March. She requested that TfN continue to engage with the Business Advisory Boards and that the governance is made more specific to reflect this.
- 9.4 Mr Rawstron suggested that a review be undertaken on the need to co-opt a business advisory body on to the Board.
- 9.5 The Director of Strategy, Analysis and Communication stated that over the last six months TfN has stepped up its business engagement and has re-engaged with many business representative bodies to ensure the business voice at Board remains protected. She added that the executive will look to do some further work directly with business bodies, picking up the trade union representation and direct engagement with transport providers and freight operators. Plans are currently being scoped out and she suggested returning to Board with a further update in June.
- 9.6 The Chair expressed his eagerness to engage with relevant businesses including industries such as the airports, ports and logistics businesses. He suggested speaking to them about investments and apprenticeships with TfN being a voice for them.

Resolved:

- 1) That Board reaffirms the co-option of representation from the business community on the Board and Partnership Board
- 2) That Board agrees that where a LEP continues in a modified form it shall continue to nominate a co-opted non-voting representative on TfN's Board and Partnership Board
- 3) That Board agrees that where the responsibilities of a LEP have been subsumed into Business Boards within their Constituent Authority, that Authority is invited to nominate a business representative from that Business Board to be co-opted on to TfN's Board and Partnership Board
- 4) That Board agrees that the arrangements for business representation on the Board are reviewed by the General Purposes Committee after 12 months
- 5) That the changes to the Constituent Authority membership of Transport for the North and the effective dates for those changes be noted, and that the consequential changes to Constitution will be made under officer delegated authority at the appropriate time be noted.

10. Department for Transport National Bus Strategy

- 10.1 The Chair welcomed Mr Stephen Fidler, Co-Director of Local Transport at the Department for Transport, to the meeting to address the Board on buses. He highlighted the work that is being done to seek to improve services that is being led by Mayors Burnham, Brabin, Rotherham and Coppard. Whilst acknowledging the fact that much of Board's business often relates to rail issues, he highlighted the important role that buses play in mobility of people.
- 10.2 Members received the presentation from Mr Fidler who then highlighted the salient points of his presentation. Before Members asked questions, the Senior Strategy and Planning Officer then highlighted the key points of her report.
- 10.3 Members raised a variety of points on this matter with the key theme raised by all Members relating to the lack of funding to provide the services required.
- 10.4 Cllr Gannon highlighted the importance of buses to people in the North East, explaining that the issues with the buses is due to lack of funding rather than lack of policy direction or ambition. He informed Board that there has been a decline in bus mileage of around 30% since 2010 in the North East, North West and Yorkshire. He stated that the bus operators are struggling and whilst Bus Services Operators Grant (BSOG) funding has been extended, prior to the extension operators were informing the local authorities of 30% reductions in services.
- 10.5 When the National Bus Strategy was first published, the North East made an ambitious bid to increase bus usage by 5% and in order to achieve this they bid for £804 million to prevent the decline and increase usage. They received £168 million, but this funding is insufficient to achieve the goal.
- 10.6 Cllr Rollo explained that the funding issues make it difficult to plan for the future and make services resilient. As an area they are restricted by

what they can do due to having only one operator who tells the local authority what they can do, rather than the other way around. When the authority wanted to apply for "Zebra 2" funding they were unable to do so as the operator would not support the bid. She requested support from the DfT on this. She then stated that they were unable to set up their own bus company although this would be beneficial for her community.

- 10.7 Cllr Mundry requested that municipal bus companies be considered as an option to be included in the choices available to authorities as an alternative to franchising.
- 10.8 Cllr Hughes asked if there has been any movement on discrete funding for post-16 home to school/college funding.
- 10.9 Mayor Burnham stated that Greater Manchester would be happy to share its experiences with Members of the Board. On the issue of franchising he informed Board that TfGM's experience showed that franchising per km is being priced at one third less expensive than the former tendered contracts. He also suggested that franchising is better value for public money. He urged that all Board Members should be given the opportunity have franchised bus services. He praised the capital pipeline that has been put in place which allows authorities to plan ten years ahead.
- 10.10 Cllr Mitchell stressed the importance in making it easier to use the funding and specifically highlighted the restriction on revenue which is causing issues. On the EV regulation he stated that small and medium operators have expressed concerns about this, and he enquired if there is likely to be any help available in meeting the new regulation.
- 10.11 Cllr Hunt enquired if there is any further information on the "Zebra 2" funding decisions. On retrofitted buses he stated that South Yorkshire wishes to have replacement buses rather than retro fitted buses given the concerns as to whether the technology would work.
- 10.12 Cllr Kilbane enquired as to how long will £2 fare will continue for. With regards to the plan for drivers he asked whether Local Transport Authorities (LTAs) will still be able to action bus priority measures. He requested that the Board should think more widely on this issue. He stated that the only way to be able to achieve economies of scale is if Members look beyond their own local authorities and city regions.
- 10.13 Cllr Ieronimo raised the issue of real time information at bus stops and also stated the importance of the messaging around buses being safe needing to improve to increase patronage. On the latter point he reflected on how the messaging at the time of COVID (about not travelling on public transport) remained in many peoples' minds.
- 10.14 Ms Hayward raised a number of issues including connectivity between trains and bus connections (which is causing issues for employers who are trying to recruit), cross border issues (specifically tap on tap off cross border cross transport), artificial intelligence, data, and intelligence to ensure that services are being provided when needed and procurement.

- 10.15 Cllr Corcoran asked when the guidance on buses in rural areas is due to be published.
- 10.16 In response Mr Fidler addressed a number of the issues raised by the Board. On the funding issue he explained that £3 billion had originally been identified but the total with other help is approximately £4.5 billion. Addressing the issue of longevity, he stated that all local authorities now have a capital allocation until 2032. He explained that doing this for revenue is more difficult to achieve and the DfT will continue to make the case and hope to do this with the BSIP phase three funding.
- 10.17 With regard to funding for accessible information there is £4.6 million available for smaller operators and applications for this will be open.
- 10.18 On franchising in rural areas, he stated that he is content to discuss this further with anyone who wishes to do so.

Resolved:

That the presentation and Board's comments be noted and incorporated into the preparation of a substantive proposal to be considered by the Board at its next meeting.

11. Rail Reform Pre Bill Scrutiny

- 11.1 Members received the report of the Rail Reform Advisor which was taken as read.

Resolved:

That the Board approves the submission to the Transport Select Committee.

12. Rail North Committee Update

- 12.1 Members received the report of the Rail and Road Director. The Chief Executive emphasised the work of the Committee with regards to improving accessibility at stations and the focus on the committee having a programme to address this.

Resolved:

That Board notes the feedback from the RNC including the initial output from the Accessibility Task and Finish Group, and progress made by TransPennine Express on their recovery plan.

13. Date and Time of Next Meeting

Tuesday 18 June at 10.30 in Liverpool.