

Transport for the North

Rail North Committee Meeting

Item 8.0

- Subject:** Williams Rail Review
- Author:** Matthew Oxby, Transport Planner and James Syson, Rail Strategy Liaison Manager
- Sponsor:** David Hoggarth, Strategic Rail Director
- Meeting Date:** Thursday 12th September 2019

1.0 Purpose of the Report:

- 1.1 This report provides an update on Transport for the North's input to the Williams Review and recommends the Rail North Committee approve the submission of targeted further evidence to the review.

2.0 Executive Summary:

- 2.1 Following the call for evidence stage of review, Keith Williams has identified 5 key areas reform should be focused on:
- A new passenger offer, customer service excellence;
 - Simplified fares and ticketing;
 - A new industry structure;
 - A new commercial model - "the current franchising model has had its day"; and
 - Leadership, skills, diversity.
- 2.2 Engagement with the Williams Review team has identified an opportunity to continue to steer the development of recommendations and also prepare for implementation around themes of:
- Understanding devolution to the North under Williams proposals;
 - Potential phasing;
 - Interfaces with national co-ordination;
 - Geographical challenges; and
 - Stations.

3.0 The Williams Rail Review:

- 3.1 The Williams 'root and branch' review of rail is described as the most significant since privatisation and will consider ambitious recommendations for all aspects of the industry. Recommendations are expected to be published in a government White Paper in Autumn 2019. Reform is expected to begin in 2020.
- 3.2 As reported to the Transport for the North Board meeting in Bradford on 20 July 2019, Transport for the North in May 2019 submitted principal elements that underpin an emerging proposition to the call for evidence. Greater involvement from the North will require close collaboration with Transport for the North member authorities to set out to Government how the proposals would work in detail.
- 3.3 On 16 July 2019 Keith Williams, independent Chair of the Rail Review, gave a speech to update on progress of the Rail Review at a Northern Powerhouse Partnership event in Bradford. The speech did not set out recommendations, but it did explain the building of the evidence base and understanding of what passengers, the industry, and communities across the UK see as the key challenges and opportunities for the railway.
- 3.4 The speech set out the fundamental passenger needs that the recommendations of the review must satisfy and stated that the review is using these alongside assessment criteria published earlier in the year. He also stated:
- "What comes next must be anchored in the regions and communities – and nearer to the people – the railway serves."*
- "And for regions like the north and cities across the country, there must be greater opportunities to influence and inform decisions about services and upgrades in your area."*
- 3.5 Keith Williams' speech introduced that reform should be focused on 5 key areas outlined above: a new passenger offer, simplified fares and ticketing, an enhanced industry structure, a new commercial model and improvements in leadership, skills and diversity. In explaining the new industry structure, it was emphasised this needs to reduce fragmentation, better align track and train, create clear accountability and a greater distance between government and the railway service provider. Also, that a structure is needed that enhances strategic planning, including at the local level, and facilitates better engagement on specification, and delivery of regional enhancements.
- 3.6 Keith Williams explained he is not considering giving Network Rail 'engineers' control over the trains, as speculated. He concluded:

"The industry is complex, and getting to our final destination may take some time, but passengers must see and feel tangible changes quickly if we are to turn around declining satisfaction and trust."

"Change will need tough decisions to be taken and require collaboration and partnership working across the sector, but the prize will be big."

- 3.7 In reaction to the speech Transport for the North stated: Our members want to ensure decision-making and accountability sits closer to those using the services. Devolution should be a central principle for reform of how the railways are run. From the tracks to the trains.
- 3.8 Testing of example scenarios against the initial proposition via officer workshops, and subsequent discussions with the Williams Rail Review team, identified a number of challenges that required further development to progress towards a proposition for greater devolution to the North, and to assist the review team in arriving at a set of suitable recommendations that put passengers first and deliver on Transport for the North's stated objectives. These challenges can be summarised as:
- Demonstrating how devolution could work under the emerging proposition, and in a way that would be 'right for the North';
 - What can be achieved from the Williams Review for the North without the need for a full business case submission – focussing on the strategic case initially;
 - The Williams Review may be a big step towards the desired level of devolution but there may be some further steps to make – a phased approach needs to be explored;
 - Members are being held to account but cannot currently understand who makes decisions which has led to a level of discontent with the current partnership;
 - Timescales are an issue with decisions made too far in advance and little ability to respond to changing circumstances – greater influence is required in national bodies;
 - There are geographic challenges around historic routes and political boundaries;
 - There are three levels of devolution to consider – local / regional (Transport for the North) / national network – decisions need to be made at the right level;
 - Transport for the North need the ability to make their own decisions on trade-offs and conflicts and not have them imposed; and
 - Partners in the North are exploring station devolution and Transport for the North needs to explore how it can best support this.
- 3.9 Engagement with the Williams Review Team suggested that it would be helpful if Transport for the North were to submit a further paper showing how we can help to address these issues. Targeted analysis of

these issues has been developed in consultation with lead officers from member authorities and is attached as Appendix 1.

- 3.10 In developing this paper, the issues identified have been condensed into five key topic areas. These are considered areas where Transport for the North are well placed to provide additional context to reiterate and amplify the position that was submitted through the official call for evidence process, and to offer the review team additional support. These areas, along with some of the key outputs for each, are presented here (with the full detail in Appendix 1):

Understanding how devolution to the North would work under the Williams proposals

The fundamental requirement for Transport for the North is a pathway to devolution that allows the North to take responsibility for the region's railways from central Government. This responsibility will include setting policy, decision making, specification, oversight of operations, funding and investment. Any alternative scenario will not solve the fundamental issues around accountability and joined up delivery of optimum solutions for customers that exist under the current model.

Without devolution the North's objectives - to generate economic growth and enhance quality of life through prioritising specification and enhancements of passenger and freight rail services - will not be met.

A phased approach

The Williams Review may be a big step towards the desired level of devolution but there will be further steps to make and therefore a phased approach is key. The intermediate phase towards the kind of devolution that Transport for the North and partners require is a deeper and wider partnership agreement between Transport for the North and national rail bodies that can be delivered through the Williams Review proposals.

This phase should take the form of a progression of functional responsibilities (i.e. around ticketing and franchising) while also creating the right conditions for enhanced devolution and a 'Northern Region / Route'.

Roles, responsibilities and key interfaces

It is vital that all decisions are made at the right level – not just political, but operational and practical decisions that need to be made quickly without the need for political approval. Members cannot currently understand who makes decisions which has led to discontent with the current partnership with Transport for the North and Northern leaders having political oversight, while the DfT has budget control.

There is a requirement for influence within national bodies and a mechanism to respond to circumstances, and decisions around trade-offs and conflicts need to be made by Transport for the North-led consultation with key stakeholders rather than them being imposed on the North from a central body.

Geographical challenges

The functional railway geography of the UK does not always align well with political and administrative boundaries. To address the issue of overlapping markets, Transport for the North is committed to using travel to work data to better inform service specifications.

Transport for the North want a rational railway industry to deal with, and at the highest level of Network Rail (and any other bodies with national coordinating functions proposed by the Williams Review) this means a single, accountable point of contact.

The simplest way of achieving this is the reconsideration of the 'Northern Route' proposals that were previously rejected and Transport for the North will work collaboratively with the Williams Review team in the short term, and going forward the wider rail industry, to make the case for such a Region / Route.

Stations

As a subset of the wider devolution question, the Williams Review presents a unique opportunity to review the ownership, management, role and condition of all stations. In order to deliver on Transport for the North's proposed minimum standards, an oversight group will be set up to support local station devolution business case submissions, share best practice and roll successful schemes out across the North. Transport for the North suggest that the Williams Review create the conditions for this approach to be feasible. In the interim, and for those areas not pursuing their own station devolution proposals, Transport for the North is suggesting an alliance arrangement to help improve standards across the network.

- 3.11 Transport for the North Board previously requested that there is greater Local Enterprise Partnership involvement in developing the proposition, Transport for the North has commenced engagement with these organisations with support from Executive Board.

4.0 Conclusion

- 4.1 The report provides updates on the Williams Rail Review, engagement with the review team, and seeks approval of the submission of further targeted evidence in line with this engagement.

5.0 Recommendations:

- 5.1 That the update on the Williams Reviews is noted.
- 5.2 That Rail North Committee approves the submission of further targeted evidence to the Williams Rail Review.

6. Appendices:

- 6.1 Appendix 1. Proposed Transport for the North further submission.

List of Background Documents:

Subject: Williams Review and Blake Jones Review
 Author: Matt Oxby/ Simon Shrouder
 Sponsor: David Hoggarth, Strategic Rail Director
 Meeting Date: Thursday 20 June 2019

Required Considerations

Equalities:

Age	Yes	No
Disability	Yes	No
Gender Reassignment	Yes	No
Pregnancy and Maternity	Yes	No
Race	Yes	No
Religion or Belief	Yes	No
Sex	Yes	No
Sexual Orientation	Yes	No

Consideration	Comment	Responsible Officer	Director
Equalities	A full Impact assessment has not been carried out because the only decisions required do not have any direct impacts	Strategic Rail Director	Strategic Rail Director

Environment and Sustainability

Yes	No
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Consideration	Comment	Responsible Officer	Director
Sustainability / Environment – including considerations regarding Active Travel and Wellbeing	A full impact assessment has not been carried out because the only decisions required do not have any direct impacts	Strategic Rail Director	Strategic Rail Director

Legal

Yes	No
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Consideration	Comment	Responsible Officer	Director
Legal	Transport for the North's contribution to the Williams Review is in line with its powers and duties under the Sub-national Transport Body (Transport for the North) Regulations 2018. There are no other apparent legal implications as this stage.	Julie Openshaw Head of Legal	Julie Openshaw Head of Legal

Finance

Yes	No
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Consideration	Comment	Responsible Officer	Director
Finance	Further funding to support development of appropriate business case work will be required as part of our development of options for further devolution.	Gareth Sutton	Iain Craven

Resource

Yes	No
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Consideration	Comment	Responsible Officer	Director
Resource	There are no direct resource implications as this is an update paper.	Stephen Hipwell Head of Human Resources	Dawn Madin Director of Human Resources

Risk

Yes	No
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Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment has not been carried out as it's not required.	Strategic Rail Director	Strategic Rail Director

Consultation

Yes	No
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Consideration	Comment	Responsible Officer	Director
Consultation	A suitable consultation has been carried out with Transport for the North members on the input to the Williams Review.	Strategic Rail Director	Strategic Rail Director