

# Transport for the North Board Meeting - Minutes

**Meeting:** Transport for the North - Board  
**Date:** Thursday 28 June 2018, 11.15am – 12.45pm  
**Venue:** Council Chamber, Manchester Town Hall Extension, Mount Street Entrance, Manchester, M60 2LA

## **Chair:**

John Cridland Chairman of Transport for the North

## **Attendees:**

Jo Johnson MP Minister of State for Transport (from item 10)

## **Constituent Authority Attendees:**

Cllr Phil Riley	Blackburn with Darwen
Cllr Rachel Bailey	Cheshire East
Cllr Samantha Dixon	Cheshire West & Chester
Cllr Keith Little	Cumbria
Mayor Andy Burnham	Greater Manchester
Cllr Darren Hale	Hull
CC Michael Green	Lancashire
Cllr Judith Blake	West Yorkshire
Mayor Steve Rotheram	Liverpool City Region
Cllr Rob Waltham	North Lincolnshire
Cllr Don Mackenzie	North Yorkshire
Mayor Dan Jarvis	Sheffield City Region
Cllr Bill Dixon	Tees Valley
Cllr Terry O'Neill	Warrington
Cllr Ian Gillies	York

## **Rail North Authority Attendees:**

Cllr Trevor Ainsworth	Derbyshire
Cllr Chris Brewis	Lincolnshire
Cllr John Ogle	Nottinghamshire

## **LEP Attendees:**

Pete Waterman	Cheshire and Warrington LEP
Jim Jackson	Cumbria LEP
Lord Haskins	Hull and the Humber LEP
Ian Cherry	Leeds City Region LEP
Mark Whitworth	Liverpool City Region LEP

Matthew Lamb  
Martin McKervey

North Yorkshire LEP  
Sheffield City Region LEP

**Delivery Partners:**

Jim O'Sullivan  
Paul Griffiths  
Martin Frobisher  
Ben Smith

Highways England  
HS2 Ltd  
Network Rail  
Department for Transport

**Officers in Attendance:**

Barry White  
Alastair Richards  
Iain Craven  
Jim Bamford  
Sasha Wayne  
Dawn Madin  
Tim Wood  
Adam Timewell

James Syson  
Deborah Dimock  
Jonathan Spruce  
David Hoggarth  
Richard Rowson

Chief Executive  
IST Programme Director  
Finance Director  
Head of Investment Planning  
Head of Legal  
HR and Mobilisation Director  
NPR Director  
Rail North Partnership - Franchise  
Commercial Manager  
Rail Strategy Liaison Manager  
Solicitor  
Strategy Director  
Strategic Rail Director  
Rail Team Commercial Support

**Apologies:**

Cllr Simon Blackburn  
Tricia Hayes  
Christine Gaskell  
CC Geoff Driver  
Edwin Booth  
Roger Marsh  
Asif Hamid  
Mike Blackburn  
Sir Peter Hendy  
Cllr Nick Forbes  
David Land  
Cllr Matthew Patrick  
Cllr Jon Collins  
Cllr Daniel Jellyman  
Mayor Ben Houchen

Blackpool  
Department for Transport  
Cheshire and Warrington LEP  
Lancashire  
Lancashire LEP  
Leeds City Region LEP  
Liverpool City Region LEP  
Greater Manchester LEP  
Network Rail  
North East  
North East LEP  
North East Lincolnshire  
Nottingham  
Stoke-on-Trent  
Tees Valley

**1.0 Welcome and Apologies (v)**

**ACTION**

The Chair welcomed members and the public to the meeting.

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## **2.0 Minutes of the Last Meeting and Matters Arising (r)**

- 2.1 The minutes of the meeting held on Thursday 5 April 2018 were submitted for ratification.

**RESOLVED:** that the minutes of the meeting be approved as a true and accurate record.

## **3.0 Chairman's Report (v)**

- 3.1 The Chairman noted that it had been a very busy time since the last meeting on 5 April 2018.
- 3.2 The most notable development was the implementation of new rail timetable on 20 May 2018 which had caused wide scale delays and disruptions for member of the public across the north. This has been discussed on a number of TfN Board calls and at a Partnership Board meeting which had been called in relation to these issues on 12 June 2018.
- 3.3 TfN is providing performance monitoring data to Board members on a twice-weekly basis.
- 3.4 The involvement of the Board has led to a series of interventions which continue, for example, members discussed the Lakes Line and the need to restore services as soon as possible, leading to the implementation of a shuttle service due to start on 2 July 2018.
- 3.5 Members present at the previous Board meeting saw that TfN made best efforts to help avoid the strike action on Northern trains. Unfortunately, despite best efforts, TfN was unable to prevent these from happening.
- 3.6 The Chairman recorded his thanks to all Board members for their support in this period of exceptional activity. It has meant TfN has had to call for involvement from Board members at short notice and the Chairman was very grateful for time given to respond to the crisis following the rail timetable implementation.
- 3.7 AB commented that it is important to record that there is still considerable disruption on the network and people are still experiencing delays across the north. The emergency timetable has not solved issues. In Greater Manchester, overcrowding on

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trains is causing significant risk in this weather. He commented that when it comes to performance, overcrowding is not measured by the rail industry. He believed that the Board should develop a way to measure this and that it should monitor it on a regular basis.

3.8 The short forming of trains has become a bigger problem in recent weeks and it is very important that the Board sends a message to note that members are aware of this issue and will continue to monitor on a regular basis.

3.9 The Chairman summarised the view of the Board; there has been some improvement but not enough performance improvement to satisfy the Board. Whilst there is some stability on what to expect, the short-forming and overcrowding of trains is something that the Executive need to monitor. DHo

#### **4.0 Strategic Transport Plan Consultation – Independent Report and Next Steps (r/p)**

4.1 Jonathan Spruce (JS), Strategy Director, presented on this item, providing an update on the consultation from the Strategic Transport Plan. Overall, there has been a positive response. The formal response to the consultation will be brought to the September Board meeting.

4.2 It was noted that a letter from a member of the public had been received in relation to the process, and a response will be sent in due course.

4.3 Mayor Steve Rotheram (SR) commented that visitor economy is vitally important and he wants to see more detail on this. He asked to what extent will issues like this find their way into the finalised report.

JS explained that he and the team are working with partners to ask what the individual clusters are that need to be connected. There will be more case study examples and live examples used.

4.4 The Chairman echoed that there needs to be more emphasis on environmental sustainability.

- 4.5 Members agreed the recommendations set out at 2.1 in the paper circulated.

## **5.0 Transport for the North Corporate Risks Discussions (r)**

- 5.1 Iain Craven (IC) presented on this item, explaining that there is a requirement in the Constitution for the Board to consider corporate level risks. This report sets out risks and mitigations for these.
- 5.2 Darren Hale (DH) commented that he is pleased to see the risk analysis but is concerned about how some of these risks are rated; he believed that political and organisational risks should not be medium, they should be a high risk.
- 5.3 IC confirmed that this will be discussed with the Executive Board and this will be brought back to the Board in September. IC
- 5.4 Members agreed the recommendations set out in item 3.1 of the report.

## **6.0 Outturn Statement 2017/18 (r)**

- 6.1 Members noted the outturn statement for 2017/18 and agreed the recommendations set out in section 3 of the report.

## **7.0 Finance Update: Periods 1 and 2 Financial Year 2018/19 (r)**

- 7.1 It was noted that there is an underspend in periods 1 and 2 in the programme area due to delay in some contracts being signed.
- 7.2 Members noted the recommendations set out in the report.

## **8.0 Transport for the North Board Membership, Co-options, Appointments of Vice Chairs and Appointments to the Audit and Governance Committee (r)**

- 8.1 Members accepted the changes to the membership of the Board, as outlined at points 2.2, 2.3, 2.4 and 2.5 of the report.

8.2 Nominations for the role of Vice Chairs had been received. As agreed at the previous meeting, there would be two Vice Chairs, one from each of the two main political parties.

8.3 Nominations received were:

Labour

Mayor Steve Rotheram  
Cllr Samantha Dixon

Conservative

Cllr Rob Waltham  
Cllr Ian Gillies

8.4 Mayor Steve Rotheram withdrew his nomination, therefore, Cllr Samantha Dixon was appointed as the Vice Chair representing the Labour party.

8.5 A weighted vote took place for the Conservative Vice Chair. Under the weighted vote, Cllr Ian Gillies received 24 nominations and Cllr Rob Waltham received 8 nominations.

**RESOLVED:** that Cllr Samantha Dixon and Cllr Ian Gillies be appointed as the Vice Chairs of Transport for the North.

8.6 Members requested that the voting system for Vice Chairs be revisited in the future, as they thought it would be better that the vote for each Vice Chair should have happened within the political party groups.

The Chairman noted that these arrangements were agreed by the Shadow Board in February, before he had been appointed as Chairman. He agreed to review this in future, but the appointments today had to be made for Vice Chairs.

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8.7 The nominations for the Audit and Governance committee were agreed. There was a call for more members to volunteer for the committee to increase the membership to full strength. It was noted that the external members list was male-only and the need for diversity was emphasised. Any future recruitment will take

Members

account of gender diversity when shortlisting for interviews and appointments.

- 8.8 Members supported the recommendations outlined in point 2.7 of the report.
- 8.9 The correction at item 2.8 was noted.
- 8.10 SR nominated Nathalie Nicholas as the substitute member of the Rail North Committee for Liverpool City Region.

## **9.0 Department for Transport and Transport for the North Memorandum of Understanding (r)**

- 9.1 The Department for Transport and Transport for the North Memorandum of Understanding was submitted for approval.
- 9.2 The Board endorsed the paper and recommended the signing of the agreement.

## **10.0 Terms of Reference for Joint Review (r)**

- 10.1 The Terms of Reference for Joint Review were submitted for approval.
- 10.2 Cllr Judith Blake (JB) explained that she will be seeking views from members on a variety of issues. The key focus is on the travelling public. There is a very clear instruction that this is not going to be a long process. There will be a draft report brought back to members in September.
- 10.3 Jo Johnson MP (JJ) explained there is a need to understand how TfN/DfT can work better together through Rail North Partnership.
- 10.4 AB commented that the Terms of Reference seem acceptable to him, but the point to come back to is that this review will not be in a position to reach conclusions to inform any decisions about December timetable. There needs to be a separate mechanism for the December timetable decisions. He explained that he still did not feel he knew what time the point of no return is as to whether there is a new timetable implemented in December, given Network Rail are only saying they will complete on the Bolton line by December 2018. It needs to be very clear that the Board will not accept a

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repeat of what happened in May/June this year again in December.

- 10.5 The Chairman confirmed there the Board needs to make sure it moves seamlessly to a deliverable timetable at end of July. There is also a clear issue around December timetable. The Chairman explained that the executive will write to the Board about Northern implications on the December timetable. DH
- 10.6 JJ confirmed that the Secretary of State will do all that he can to ensure all lessons that can be learnt from May are learnt. There will be a joint review in to the oversight role that TfN and the DfT have.
- 10.7 JB noted that changes will come from the review, including how communication with the Board regarding Rail North matters can be improved.
- 10.8 Darren Hale (DH) commented that the review needs to clarify where power sits as part of diffused responsibility, and to clarify who has the ability to push the stop the implemented of the December timetable if required.
- 10.9 The Terms of Reference for Joint Review were approved.

## **11.0 Disclosure of Exempt Information (v)**

- 11.1 The Chair proposed to resolve that the public be excluded from the meeting during the consideration of report items 12 and 13 because it is likely that there will be disclosure of exempt information as defined in paragraph C of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.
- 11.2 Several members opposed this proposal, as they believed there is a lack of public confidence in the rail system, and it would be in the public's best interest to hear members debate the compensation issue.
- 11.3 The Chief Executive explained that the proposal for the item to be held privately is due to the information contained within the report having been shared under legal privilege and under a

non-disclosure agreement, which could not be discussed openly. Without discussing the figures, a meaningful discussion might not be had, and it would be difficult to discuss in an open domain.

- 11.4 Members agreed that they would like to continue with the remainder of the meeting being held in public.
- 11.5 The Chairman proposed that item 13 would be deferred to the next meeting for consideration, and that the remainder of the meeting would focus on the discussion of compensation.

## **12.0 Compensation (r/p)**

- 12.1 BW updated members that there has been a significant amount of progress made on this matter since the papers had been published on 21 June 2018. He explained that there is a detailed presentation, but that cannot be shared in public. However, he would outline the principles and options available to the Board, whilst noting that it will lose some of the precision that the numbers might have guided members to.
- 12.2 Richard Rowson (RR) and David Hoggarth (DHo) presented on this item.
- 12.3 A sum of money has been allocated the compensation scheme. The compensation is initially for season ticket holders most adversely affected. The area of coverage for this is a large part of North West, including: Greater Manchester, Cumbria, Lancashire. Those affected will be able to claim back up to four weeks' worth of travel, for weekly, monthly or annual season ticket holders. This would also be available for multi-modal season ticket holders. Whilst focussed on the North West of England, the team has also looked at how it could be extended to wider area. After the introduction of the 20 May 2018 timetable, the area affected was extended, so the proposal is to offer one week's worth of compensation for season ticket holders across a wider area. The team would also propose to bring in the North TPE route in to this.

12.4 SR noted that in the Partnership Board, he had requested a correction to the minutes of the meeting held on 12 June 2018. SR noted that he had asked at the emergency meeting in June whether compensation from Network Rail would be passed on to the traveling public through Northern. The advice was, because of contractual reasons, that this could not be done. The Board is now presented with a paper that says the opposite – that the compensation fund will come from Network Rail and will go through TOCs. He asked for clarification on that point.

DH noted that the understanding at the emergency meeting was that this could not be done on a regular basis, however, this is an extraordinary matter. It was agreed that an explanation of how the industry compensation process works would be provided to members.

12.5 AB commented that he is not comfortable with a proposal funded by the public sector. Members asked at the emergency meeting if the travel companies are saving money by running emergency timetable, but they are not contributing to the compensation fund. He commented that he was not comfortable signing off a proposal that is funded fully by the public sector. SR supported this and stated that the payment by Network Rail should be matched by TOCs. There would then be a considerable pot to distribute.

12.6 The Chairman asked if the Board wished to get compensation to the travelling public, alongside considering the issue of how this should be funded. The Board needs to make a choice today as to whether it feels able to address some of the compensation proposals today and follow-up other issues outside of the meeting.

12.7 AB noted that the package offered to the public should not be matched to the South's compensation package, as previously proposed by the Secretary of State. Travellers in the South are able to use the tube if their train fails, but the Northern travellers must opt for more expensive options such as trains, or overnight stays in hotels because the transport system is not comparable to the South.

- 12.8 JJ noted that this is a collective failure by rail industry. The DfT feels that much of the responsibility lies with Network Rail for the delay in delivering on their projects. In interest of getting compensation agreed, it felt fairest for this to come from Network Rail.
- 12.9 The Chairman commented that the Board could spend the remainder of the meeting defining priority groups or it could look at where the compensation comes from. SR disagreed and felt that the Board can look at priorities now and also pursue TOCs. He also noted that Northern must not charge 20% administration on the compensation pot. Northern should not be in receipt of any funds for the misery the public has experienced.
- 12.10 JJ explained that the DfT will be holding Northern, and other operators, to account for their performance, through the usual performance management process the Department uses. This work is already underway.
- 12.11 Members agreed that this is an acceptable first step, but that as a collective industry failure, it is important that the compensation scheme is funded by train companies as well as Network Rail.
- 12.12 AB raised the issue of compensation for low income passengers who buy advance tickets in bulk to secure a lower price.
- 12.13 The Chief Executive explained work is already underway to look in to what package can be put in to place for these travellers. It is understood that these passengers may have already disposed of tickets, so the team is looking at how evidence can be gathered on their July/August travel to show they are regular travellers so that they can be compensated.
- 12.14 JB welcomed the comments on compensation for those in the East Pennines. She felt it was still unclear whether those in West Yorkshire with season tickets will be eligible for refunds. Until further work is done on this, the Board cannot be certain that the money put aside is adequate.

12.15 Cllr Keith Little (KL) commented that more needs to be done on compensation for businesses and tourism, and those in Cumbria need to be assured that this is under. Cumbria also needs the DfT to confirm that they will be funding the shuttle service that has been implemented. Cllr Michael Green echoed the need for compensation for economic hardship and for those with business and tourism in affected areas, such as Blackpool.

12.16 The Chair summarised. There are suggestions for compensation for season ticket holders that can be implemented quickly. Proposals have been made today to extend that to TPE passengers and to extend the geography of that offer.

Most recently, the Executive have been working on suggestions to address AB's concern about those who had experienced real loss but were not season ticket holders. This is a large number of people and it would require an increase in the pot of funding needed.

There is then the difficult issue of hardship. This has been the issue that's been hardest to make progress on and is still being worked on.

The Chairman suggested that these items be circulated in an update to Board members. JC

The Executive should also pick up on the proposals from Mayors Rotherham and Burnham and not assume there is only one pot of funding from the DfT.

12.17 JJ noted his disappointment that the Board had been unable to discuss the figures proposed, resulting in the Board having not reached agreement on the initial compensation packages.

12.18 Members disagreed that initial compensation had not been approved. It was agreed that the season ticket compensation, for 4 weeks and 1 week, including the geographic extension, and the marketing budget for tourism areas should be granted, with further work to take place on

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the other areas to be explored for non-season ticket holders and the hardship fund.

**13.0 Integrated and Smart Travel Update, Tranche 1 Pilot, Tranche 2 Procurement (r)** AR

This item was deferred for consideration at the next meeting.

r = report; p = presentation; v = verbal

DRAFT