

Transport for the North Board Meeting– Item 6

Subject: Williams Review and Blake Jones Review

Author: Matt Oxby/ Simon Shrouder

Sponsor: David Hoggarth, Strategic Rail Director

Meeting Date: Thursday 20 June 2019

1. Purpose of the Report:

- 1.1 This report provides an update on the Williams Rail Review and Transport for the North’s input to the call for evidence.
- 1.2 It also provides an update on the Blake Jones Review.
- 1.3 The report notes the forecast cost of an initial piece of scoping work for the business case for further devolution.

2. Executive Summary:

- 2.1 Transport for the North’s response to the Williams Review call for evidence has been developed in consultation with lead members from the North’s local transport authorities through the Rail North Committee.
- 2.2 Transport for the North responded to the Review Team’s four questions on evidence papers, draft objectives and assessment criteria.
- 2.3 Transport for the North’s submission to the call for evidence is an evidenced proposition to have greater control over a reformed railway industry in the North to assist in delivery of the Strategic Transport Plan.
- 2.4 Appropriate resources will be required to progress the business case for further devolution to feed in to a government White Paper expected in Autumn 2019.
- 2.5 This activity is currently unbudgeted and funding sources will be considered as part of the budget Revision 1 process which is currently underway.

3. 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. Findings and recommendations are expected to be published in a government White Paper in autumn 2019. Reform is expected to begin in 2020.
- 3.2 At the Transport for the North Board meeting in Chester on 7 February 2019, officers undertook to consult with members on the Transport for the North response to the Williams Review. Transport for the North Board and Rail North Committee have been informed that Transport for the North will make a substantial contribution to the Williams Rail review based, in part, on the recommendations from the Blake Jones Review of the Rail North Partnership.
- 3.3 Transport for the North Partnership Board on Thursday 4 April 2019 considered the Joint Review of the Rail North Partnership and Transport for the North's input to the Williams Review. Partnership Board were informed how Transport for the North's response to the Williams Review call for evidence will distil our evidence to the scope of the review and be developed through lead officers, for consultation with the Rail North Committee.
- 3.4 Transport for the North Partnership Board were also informed that Transport for the North will seek to work with the Williams Review team on a proposition for the North – an evidenced expression of governance and commercial arrangements for the rail industry in the North to assist in delivery of Transport for the North's Strategic Transport Plan. The desired outcome being a model that puts customers at its heart, with the rail industry made accountable through a golden thread to local politicians.
- 3.5 On 19 March 2019 Keith Williams gave an update on progress of the Rail Review at Accelerate Rail 2019 conference, and announced draft objectives and assessment criteria for consultation, alongside further evidence papers and the review asked four questions on these. The RailNorth Committee members were consulted on the Transport for the North response which was developed in consultation with lead officers. The Transport for the North response to the four questions provided to the review team by the 30 April deadline is attached at Appendix 1.
- 3.6 Proposed principles for Transport for the North's main submission to the call for evidence were developed with lead officers and considered by the Rail North Committee at their 14 May 2019 meeting.
- 3.7 The Rail North Committee gave positive feedback on the principles presented and the emerging proposition for integrated devolution. The Committee noted the need for more detailed work on interfaces such as between Transport for the North and devolution to local areas. The

Committee also identified the requirement for capacity and resources to further develop the proposition.

- 3.8 Working with Lead Officers the proposition was refined in line with feedback from the Committee, circulated to Board members for observations, and finalised for submission by the end of May 2019. Transport for the North's submission to the call for evidence is attached at Appendix 2.
- 3.9 In the submission to the call for evidence, we set out the principle elements that underpin an emerging proposition that will put passenger and freight customer interests first and deliver improved outcomes for everyone, including:
- A golden thread of accountability and alignment with shared objectives. This will come with three clearly defined levels of governance:
 - Long distance and freight services nationally coordinated, delivering on national priorities and objectives;
 - Sub-national transport bodies delivering on their priorities and being responsible for services within their boundaries by acting as a guiding mind; and
 - The provision for sub-regional bodies to have autonomy over devolved spending and decision-making for locally-specified service arrangements.
 - Vertical integration of track and trains through bodies such as sub-national infrastructure bodies to improve efficiency of delivery;
 - Longer, (e.g. 15-year) service arrangements to provide a greater incentive for investment;
 - Flexibility for local areas to determine procurement and ownership models; and
 - The coordination and prioritisation of freight services by sub-national transport bodies in close collaboration with the national co-ordinating body to ensure seamless freight movement.
- 3.10 Through robust analysis of national and international case studies, we have set out that these principles will be successful in delivering the following benefits:

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- Investment decisions that focus on local need, whether this is capacity, quality, encouraging mode shift or accessibility for a specific area;
 - Stronger policy alignment and a means to deliver local and sub-national goals and objectives that respond to the concerns and needs of local people;
 - Local accountability that will bring an end to the culture of blame;
 - Improved coordination and reliability; and
 - A simplified network with consistency in fares and ticketing, and integration of rail services with local transport networks.

3.11 Whilst evidence-based, the submission to the Williams Review call for evidence is necessarily focused on high level principles. Ultimately any form of greater involvement from the North will require a business case to be developed and submitted setting out how the proposals would work in detail. This will be undertaken in close collaboration with Transport for the North member authorities, many of whom have made their own submissions to the Williams Review.

3.12 It is therefore intended to commence work on the more detailed development of the proposition during Summer 2019, starting with a substantial scoping exercise for the business case for greater devolution of the governance and commercial arrangements of railways in the North of England.

3.13 The business case is likely to require substantial professional support, in particular for economic and financial modelling aspects. This is an unbudgeted ask beyond the business plan for Strategic Rail, and therefore precipitates either:

- displacement of other activity;
- new funding being found; or
- use of reserves.

3.14 It is forecast that circa. £50k (subject to further scoping and specification work) of revenue resource is required in the short term to enable more detailed development of the proposition and scoping of the business case. However, more substantial activity may follow that would require additional resource.

3.15 Funding for this initial activity will be considered as part of the budget Revision 1 process. Funding for broader unbudgeted activity will be challenging, however as part of the budget setting process for financial

year 2019/20, £300k of Core Grant funding was earmarked in reserves for undefined devolved powers activity. The Finance Director will only recommend draws upon this reserve when other resources are not available and a sustainable plan on the use of that resource across all Transport for the North's devolution aspirations can be presented. Should draws from reserves be required, the Finance Director will make recommendations to Transport for the North Board as part of the Revision 1 budgetary process.

3.16 **The Blake Jones Review**

The Blake Jones Review of the Rail North Partnership undertaken by Cllr Judith Blake and the Rail Minister, Andrew Jones is being finalised ready for planned publication in June. The focus of the review is the impact of the problems that occurred a year ago with the introduction of the May 2018 timetable.

3.17 The Review is expected to make a series of short-term recommendations aimed at putting passengers at the heart of decision making in the industry and helping ensure the events around the May 2018 timetable change and the severe impact on people and businesses cannot happen again. The longer-term themes that are likely to be carried through into the Williams Review include:

- The need for a more effective 'guiding mind' for rail services in the North;
- Greater integration of track and train through more accountability of the infrastructure provider;
- Stronger alignment of infrastructure and train service planning and with the Strategic Transport Plan produced by Transport for the North; and
- The potential for further devolution of rail responsibilities to the North.

3.18 The recommendations from the Review form part of the evidence base for the Transport for the North submission to the Williams Review, and are likely to continue informing the development of the role of the Rail North Partnership, and Transport for the North and the Department for Transport, in the months and years ahead.

3.19 It is expected that the Blake Jones Review of the Rail North Partnership will be formally published in June 2019. It is planned to clearly communicate the recommendations contained within the Review and the path towards their implementation against the backdrop of the wider Williams Review and its own outputs.

4. Conclusion:

- 4.1 The Williams Rail Review is a root and branch Review of the rail system in the UK. It provides a once-in-a generation opportunity to address fundamental issues affecting our railways - issues resulting from structural failings at the national level. Nowhere have they been felt more acutely than in the North of England. Last year made that clear.
- 4.2 Transport for the North has made substantial input to the Williams Rail Review, based in part on the expected recommendations from the Blake Jones Review of the Rail North Partnership.
- 4.3 In April 2019, Transport for the North responded to four questions on evidence papers, draft objectives and assessment criteria for the Williams Review. In May 2019, our submission to the call for evidence proposed high level principles for integrated devolution of the rail industry with greater involvement from the North. It is proposed to scope the business case for this proposition in more detail over summer 2019 working in close collaboration with Transport for the North member authorities.

5. Recommendation:

- 5.1 It is recommended that the Board note the update provided on the Blake Jones Review and Transport for the North's input to the Williams Rail Review call for evidence.
- 5.2 The Board is asked to note the proposal to undertake initial business case activity and the work underway to consider funding options.

6. Appendices:

- 6.1 Appendix 1 – Transport for the North response to the four questions on the evidence papers, draft objectives and assessment criteria for the Williams Review.
- 6.2 Appendix 2 – Transport for the North's submission to the Williams Review call for evidence.

List of Background Documents:

There are no background papers to this report.

Required Considerations
Equalities:

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

Consideration	Comment	Responsible Officer	Director
Equalities	A full Impact assessment has not been carried out because the report does not propose any new strategy or service provision	Transport Planner	Strategic Rail Director

Environment and Sustainability

No

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 report does not propose any new strategy or service provision	Transport Planner	Strategic Rail Director

Legal

No

Consideration	Comment	Responsible Officer	Director
Legal	There are no legal implications in relation to this stage of work.	Transport Planner	Strategic Rail Director

Finance

Yes	No
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Consideration	Comment	Responsible Officer	Director
Finance	This report proposes undertaking unbudgeted activity at a forecast cost of circa. £50k (subject to further scoping and specification work). Funding options, including the use of earmarked reserves, will be considered as part of the Revision 1 budget re-forecast exercise which is currently underway.	Gareth Sutton	Iain Craven

Resource

Yes	No
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Consideration	Comment	Responsible Officer	Director
Resource	The resource implications will be considered during the development of a more detailed proposition.	Transport Planner	Strategic Rail Director

Risk

No

Consideration	Comment	Responsible Officer	Director
Risk	A risk assessment has not been carried out at this stage.	Transport Planner	Strategic Rail Director

Consultation

Yes

Consideration	Comment	Responsible Officer	Director
Consultation	Consultation has been carried out with lead officers from partner authorities and the Rail North Committee to develop input to the review.	Transport Planner	Strategic Rail Director