

Transport for the North Monthly Operating Report November 2020



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Introduction

Summary from the Chief Executive

Work remains on track to complete the Northern Powerhouse Rail (NPR) Strategic Outline Case (SOC) in March 2021. At TfN's November Board there was initial agreement to a preferred NPR network and phasing scenario to form part of the SOC. TfN has set out that position in a letter to the Transport Secretary in order to help inform decision making on the government's Integrated Rail Plan (IRP). The IRP may be delayed until early next year.

We are also preparing to respond to the Union Connectivity Review call for evidence. As TfN's work on HS2, NPR and the Strategic Development Corridors (SDCs) has already demonstrated, improving transport infrastructure in the North has a direct bearing on connectivity between England, Scotland and Wales.

We continue to support the North's rail network around Covid-related recovery planning. Work has also taken place on the next stage of TfN's Economic Recovery Plan (ERP) with a focus on "quick wins" that may start delivery in 2021/2022. Work also continues on TransPennine Route Upgrade (TRU) and TfN recently formally requested that DfT gather and consider the necessary evidence to evaluate TRU accommodating larger freight containers. We await their response.

Integrated & Smart Travel (IST) work has continued with the Fares Tool now being used by Local Transport Authorities. Responsibility for the operation and upkeep of the tool is scheduled to transfer to the DfT in December. The Disruption Messaging Tool is now in use by South Yorkshire Passenger Transport Executive. Platform validators (PVals) are undergoing testing ahead of being ready for use for Merseyrail, while 55% of Northern's PVals are ready for live use.

TfN welcomed the publication of the revised Treasury Green Book at the spending review on the 25 November. The new Green Book includes significant changes to how investment decisions should be assessed, with a much stronger focus on meeting strategic objectives such as "levelling up" and less emphasis on Benefit Cost Ratios as the sole basis for decision making. Many of the announced reforms have already been included in TfN's tools and models, but the new guidance will mean that evidence can now play a more prominent role in decision making.

Following the one-year Spending Review announcement on 25 November, TfN is still awaiting notification from DfT regarding funding for 2021/22. This delay is putting significant pressure on the business planning process.

TfN's Future Travel Scenarios report is currently scheduled for publication w/c 7 December. This publication updates early analysis of future travel demand in the Strategic Transport Plan, providing long-term future growth forecasts by travel mode under a number of alternative futures.

As a result of Covid it is anticipated that the TfN team will continue working from home until at least Spring 2021.

Northern Powerhouse Rail (NPR)

Monthly Summary

At the TfN Board meeting on 18 November 2020, Members agreed an initial preferred network and phasing scenario to form part of the SOC and TfN has written to the Secretary of State confirming Members' position to inform the development of the IRP. Work is ongoing to compare a number of options retained at the request of local partners, and a cost challenge exercise that we are jointly carrying out with DfT. Further, the performance of the NPR network will also be dependent on the evidence base for solutions/approaches to key hubs; Manchester Piccadilly, Liverpool, Sheffield, and Leeds with the work required to assess options remaining a priority to ensure crucial issues are addressed.

Activity Update

Infrastructure

The outputs of the corridor sift meetings were presented, and noted by Members, at TfN Board on 18 November 2020, which consisted of a) a reduced number of options to be retained for further development and appraisal, and b) an identified preferred way forward for each corridor, representing the current preference from the shortlist of options. During the last period the scope of Network Rail's (NR) activity was expanded to undertake a re-assurance exercise on costs for retained options, as well as the preferred ways forward. NR has confirmed that re-assured costs will be available for the preferred way forward on 16 December 2020 and discussions are ongoing between co-clients and NR regarding submission of assured costs for all retained options (NR original proposed date 29 January 2021).

Technical Assurance, Modelling and Economics (TAME)

Following the request by DfT to revise some of the key modelling assumptions for the SOC, the TAME team is updating the NoRMS model in time to support network modelling for inclusion in the SOC. The changes required include the need to use the latest economic forecasts, as these will likely come into official guidance in February 2021. The use of 2020 year accounts for the Covid-19 economic shock so has lower economic growth overall, but there are other differences at a finer geographic scale that show higher levels of city-centre growth, which could be beneficial for NPR demand.

Partner engagement

Engagement at officer, executive and Member levels continues to support the programme towards the delivery of the SOC. Partner organisations continue to be informed at all levels, with briefing sessions taking place ahead of key milestones and meetings in the programme.

Risks

Issue Summary	Summary of Mitigating Measures	KPI
Issue: Infrastructure costs – The infrastructure costs for route/hub options have increased through Sequence 4 (SOC) development. The increased costs are contributing to reduced Benefit Cost Ratio (BCR) values vs the same options at SOBC,	<ol style="list-style-type: none">1. Investigate the rationale for increase in Capital Expenditure (CAPEX) costs and ensure they are recorded.2. TfN working with NR on a series of reviews including tunnel rates, overhead line equipment (OHLE) and power, property cost estimates and schedule forecasts.	2

and negatively impact the ability to make a positive case.	<ol style="list-style-type: none"> 3. Agreement made with NR that the network would be re-assured and new assured cost plans will be created. NPR working with NR to ensure assured costs are available to support SOC. 4. The TfN estimating team is delivering packages of work (that NR would have previously delivered) required to support the SOC. This allows NR to focus on reassuring all retained routes. 	
Risk Summary	Summary of Mitigating Measures	KPI
Risk: BCR development - There is a risk that low BCRs might be generated, following further development since SOBC, across infrastructure and modelling and appraisal. This may result in NPR struggling to present a viable business case to Government.	<ol style="list-style-type: none"> 1. Iteration 1D to support SOC will provide further enhancements, alongside NeLUM (Northern Economy and Land-Use Model) which provides transformation Level 3 BCRs. 2. A final iteration of NoRMS, Iteration 2, will include a 2018 demand uplift and should also increase overall benefits. 3. Work is being undertaken with the modelling team to look at optimism bias in Operational Expenditure (OPEX). 4. NR renewals costs allowed for in NPR under review. 5. Business case and modelling to be reviewed against Green Book reforms which place less emphasis on BCRs, as well as DfT proposals for longer appraisal periods. 	2
Risk: Partner engagement - There may be a lack of understanding and buy-in by partners of emerging and/or final information to support sifting and decision-making for SOC. This will impact on the time partners have available to fully review emerging final information and endorse/challenge to SOC submission timescales/failure to meet Board dates.	<ol style="list-style-type: none"> 1. Post-sift and Board preparation engagement with partner organisations at a Member level, involving NPR working group throughout the sifting process. 2. One-to-one briefings are taking place by the NPR Director, Tim Wood, with leaders and executive Board Members. 3. NPR has extended the stakeholder management capacity within the NPR PMO to support partner engagement. 	2
Risk: Integrated Rail Plan –The outcome of the IRP could have consequences to the SOC if its recommendations on funding envelope/phasing/specifying route options are different from those agreed by TfN Board. These recommendations may result in a need to review decisions and result in late submission of the SOC as well as resulting in a delayed start to the next stage of NPR delivery and the Outline Business Case (OBC).	<ol style="list-style-type: none"> 1. TfN has set up a working group to develop its response to the IRP and ensure that it is effectively communicated to partners and stakeholders, and that interfaces and interdependencies between IRP and NPR (including SOC) are closely managed. 2. Planning assumptions for FY 21/22 + are being used to develop plans for future year development of NPR. This will better prepare the programme to respond to the IRP conclusions and, hopefully, reduce re-work to Business Planning ahead of TfN Board in March 21. 	2

Programme and look ahead

TfN Board	Recommendations
14.01.21	Note SOC Near Final Draft, advise on essential changes to support approval.
10.03.21	Agree SOC, agree submission of SOC to Government, agree statutory advice, agree comms strategy and handling.

Integrated and Smart Travel (IST)

Monthly Summary

The Fares Tool is now openly available to and being used by operators and LTAs and will transition to DfT for national use in December. South Yorkshire Passenger Transport Executive (SYLTE) is now using the Disruptions Messaging Tool (DMT). Merseytravel/rail have installed 66 Platform Validators which will start to be used by customers in January 2021. Twenty-two interested bidders returned selection questionnaires (i.e. initial submissions proposing fitness to proceed to the next stage) to bring forward innovation demonstrators. The programme awaits a response by DfT to its one-year Spending Review submission to accelerate delivery of 'shovel-ready' projects that deliver in-year.

Activity Update

Phase 1 - Smartcards on Rail

Merseyrail's 66 Platform Validators (PVals) are ready for live use and are in the final stage of testing. Northern Trains has 52 (55%) of validators ready for live use. During November TfN has been working with Northern to remove barriers to progress and develop a schedule for December to accelerate PVal installation. Flexi-seasons are available along five routes.

Phase 2 - Improving Passenger Information

Fares Tool - Final development tasks have been completed and the required agreements to transition the tool have been signed. The tool has had a 'soft' launch into Beta public (openly available for use by any operator) in advance of DfT's full national roll out in January 2021. Since the launch more than 250 fares and ticketing products have been created by operators and LTAs.

Disruption Messaging Tool (DMT) - Three City Region LTAs are now inputting their disruptions for bus, tram and ferry into the DMT which in turn is being published through the Open Data for developers to use in their apps. SYLTE is using the DMT for all planned disruptions and will finish their roll out for all types of disruptions in January 21. LTAs and TfN are undertaking work to encourage uptake of the data by developers, with CityMapper announcing expansion of their services in the North from December.

Phases 3 and 4 - Contactless on Rail and Local Smart Schemes

Consideration of the North's proposal to accelerate the national rollout of Contactless On Rail and the SOC for local schemes (outstanding from June 2020) has been deferred until the outcome of Spending Review 2020. In the meantime, 22 interested bidders returned selection questionnaires (i.e. initial submissions proposing fitness to proceed to the next stage) to bring forward innovation demonstrators to support the development future projects. By the end of November TfN had evaluated these bids.

TfN started a Workshop Programme to explore and agree digital travel strategies that make travel as simple, attractive, flexible and convenient as possible for local trips and longer journeys. The intention is to bring together pan-Northern objectives in the short, mid and long terms (i.e. for periods up to **10** years).

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Risk: Phase 1 - The challenges faced with validation equipment may delay the introduction of smart flexi-seasons in Greater Manchester and the Bradford areas, which could result in not attaining the KPI and costs running into 2021/22.	<ol style="list-style-type: none"> 1. Northern - TfN to continue working with Northern to pressure suppliers for delivery. An alternative temporary solution is to be considered at December Project Board. 2. Listed Building Consents - Network Rail is giving Manchester Piccadilly priority for planning consents and delays to granting consents have been raised by TfN with the relevant local authority. 3. TfGM Validator configuration - 50% financial contribution to the cost of the TfGM Validator configuration upgrade has been approved by TfN. TfGM continue to be pressed for a completion by the end of January. 	3
Risk: Phase 2 – Developers do not consume disruptions data in the Open Data Hub (ODH) and publish it in their live applications and as a consequence those LTAs who are currently using the DMT and ODH do not use the tools in the long term.	<ol style="list-style-type: none"> 1. Seek to confirm whether Nexus is to use the tool as the other four City Region LTAs by January 2021 because developers, including Google, have stated that they require consistency across the North if they are to publish data from the ODH. 2. If 1. is attainable ITO World (DMT supplier) to reduce the amount of data intervention required for DMT messages before they pass through the ODH. They will work with LTAs to increase consistency and quality of the data they enter and automate a process to transfer data from the ODH as part of the services they provide Google (who a number of LTAs see as essential). 	4
Risk: Phases 3 & 4 – DfT Investment Committee has delayed a decision on progressing both Phases until the completion of the Spending Review. The one-year Spending Review has increased the uncertainty of whether the necessary funding will be secured in a timely manner to progress the Phases. The impact is a delay to benefits.	<ol style="list-style-type: none"> 1. To ensure the delivery of the Innovation Demonstrators. 2. Undertake necessary mobilisation activities to optimise delivery by March 2022 through developing and actioning a mobilisation plan for TfN and its' delivery partners; and agreeing with DfT to fund these activities by utilising existing programme monies from December 2020. 	5

Programme and look ahead

Phase 1

Merseytravel/rail launching (January 2021) their online retailing offer supported by 66 Platform Validators delivered through Phase 1. Focus of Northern activity up to Christmas will be enablement of PVals along the Leeds-Hull line, including Selby, Brough and Hull as well as the Calder Valley line towards Manchester Victoria and the City line between Manchester and Liverpool Lime Street. The schedule will be shaped by the success in gaining planning consents.

Phase 2

Fares Tool: Project closure. Disruptions Messaging Tool: the supplier is on schedule to complete the final phase of development (social and reporting enhancements) for 'go live' in January 2021.

Phases 3 and 4

Innovation Demonstrators: complete moderation of selection questionnaires; seek December Programme Board's approval to take successful bids through to Round One (bidder demonstrations) in January 2021; and make preparations to down select bidders to proceed to Round 2.

Investment Programme

Monthly Summary

We continue to prepare for next year's Investment Programme Benefit Analysis (IPBA) and through the road, rail and smart travel teams continue to pursue projects in the ERP.

Activity Update

The commission for the IPBA project went out to tender on 5 November, so that suppliers can be commissioned to start work by April 2021. The deadline for the return of applications is 16 December 2020. The IPBA commission is critical to understanding the economic, social and environmental benefits of the TfN Investment Programme. The analysis will use DfT's conventional growth scenario, and the four Future Travel Scenarios agreed by TfN Board in July, to assess the three investment programme strategies. This work will enable TfN to make a strong evidence-based case for transport investment and only through completing this analysis will we have a clear picture of the potential impact of the Investment Programme on carbon emissions. This includes reference case schemes including Northern Powerhouse Rail. During this month:

- Work on updating the TfN Interventions Log, which maps the road and rail schemes in the Investment Programme, is ongoing, and takes account of recent decisions on the NPR programme.
- A commission to bring forward coding of the Investment Programme interventions into TfN's transport models is being procured to de-risk the main commission.
- A commission for freight modelling to support the main IPBA commission is being negotiated.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Innovative Modelling – Risk: The delivery of the IPBA in 2021 still relies on a set of innovative models to provide evidence for the North's business case, which require thorough testing and assurance. If the models are not ready on time, there is a risk that we might not meet the Business Plan commitments and the sequencing outputs may have low assurance.	<ol style="list-style-type: none">1. To continue to hold monthly meetings to track interdependencies and monitor potential risks.2. TAME to continue to provide monthly updates on the framework's development and state of readiness.3. Hold point has been built into commission; a gateway allows TfN to review the scope of work against progress and need.	10
NPR Alignment – Risk: A number of interdependencies with NPR have been identified. – for e.g. ref case, model development, resource requirements, and freight modelling. If delivery of NPR and IPBA are not aligned: -- - There are potential financial and time risks (if rework is required or IPBA has to wait for NPR to complete their programme first);	<ol style="list-style-type: none">1. Monitor the NPR programme and implications for IPBA via monthly programme reviews.2. Hold regular resource meetings with NPR managers to consider TAME resource requirements.3. TAME to provide bi-monthly technical updates to ensure consistency of NPR and IPBA delivery.	10

-Resource implications if NPR's priority leaves skills gap (particularly within TAME) that prevents IPBA from proceeding, as well as reputational impacts if the technical assumptions are not consistent.	
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Programme and look ahead

- Responses from the IPBA commission tender are expected 16 December 2020.

Major Road Network (MRN)

Monthly Summary

HM Treasury published the National Infrastructure Strategy (NIS) on 25 November, which includes the dualling of the A66 between Penrith and Scotch Corner and halving the construction time as part of Project Speed.

TfN's Future Travel Scenarios reports will be published w/c 7 December. We have reviewed the Government's response to the Future Transport consultation (following our submission in spring) and will be engaging with TfN colleagues and DfT on outcomes and next steps.

Activity Update

- Through continued partner engagement, the team has reviewed the ERP and identified early win schemes to promote with DfT for accelerated decision-making on funding. We are also seeking to raise opportunities for speeding up delivery through discussions with the DfT Northern Transport Acceleration Council.
- We have led the finalisation of TfN's Future Travel Scenarios reports, working with TAME and Communications team colleagues. The four future scenarios are now being applied to inform work on TfN's Decarbonisation and Freight Strategies.
- A summary 'at a glance' version of the Major Roads Report has been shared with partners for comment.
- The publication of the final Major Roads Report has been postponed so the report can take account of both the TfN Decarbonisation Strategy and DfT's Transport Decarbonisation Plan which has been delayed to spring 2021. This will not have any negative implications for other programmes.
- The team took part in several panels and presentations at this year's Highways UK event, a virtual two-day conference on 4-5 November, with the other Sub-national Transport Bodies (STBs).
- The team is continuing to monitor the impacts of Covid-19 on travel, and is engaging with DfT, Highways England (HE) and TfN partners on sharing transport data. This includes sharing of mobile phone data monitoring journey time and reliability on the MRN.
- The team attended the second Route Strategies workshop with HE on 25 November. This programme will help HE identify their future pipeline schemes.
- The team co-ordinated TfN feedback to HE's study of South Manchester connectivity in relation to the HS2/ NPR station access and surrounding highways connectivity.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
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<p>Risk: Negative perceptions - Due to the environmental and sustainability impacts of traffic and congestion, stakeholders might assume that road investments could be worsening the situation e.g. greenhouse gas (GHG) emissions. As a result, there is a risk that the road schemes might not get the investment needed to deliver the Strategic Transport Plan (STP).</p>	<ol style="list-style-type: none"> 1. Working with the communications team (comms) to update the webpages and include FAQs that address these issues. 2. TfN is inputting into the review of national modelling appraisal guidance to include social inclusion etc. 3. Work on TfN's Future Travel Scenarios provides insight and material towards future demand patterns based on social, economic and environmental intelligence which can support any roads narrative. 4. Work to address this topic in the Major Roads Report and work with comms to develop an appropriate comms plan. 5. Await the outcome of DfT's decarbonisation plan (in 2021) and use this to help inform TfN's Decarbonisation Pathway. 6. To monitor impacts of Covid-19 on travel behaviours, patterns and flows, and use this to inform scenario work and communications. 	6
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Programme and look ahead

- The team will continue to develop the Major Roads Business Plan for 2020-2021.
- The TfN Future Travel Scenarios Report will be published online w/c 7 December. We are working with the communications team and TAME to deliver the launch package and several Insights pieces to support the launch.
- The team will be reviewing tenders for the Mobile Phone Data commission (2020-2022), closing date 4 December 2020.
- There has been further engagement with partners following consideration of the report on the TransPennine Tunnel (TPT) and M6-A1(M) studies at Partnership Board. This will help inform recommendations to TfN Board in January 2021.
- The team is inputting to TfN's response to the Union Connectivity Review (UCR).

Strategic Rail

Monthly Summary

The operational focus remains on supporting Covid-19-related work and recovery planning through the newly formed Rail North Officer Group (Operations) and working closely with Rail North Partnership (RNP).

TfN continues to work closely with the DfT and NR on investment plans across the North of England, including schemes to address congestion hotspots in Central Manchester, train lengthening (capacity) and decarbonisation as part of the Manchester and North West Transformation Programme and also at Leeds.

Considerable work has been undertaken on developing the next stage of the TfN Economic Recovery Plan, focusing on “quick wins” which are capable of starting delivery in 2021/2022.

Activity Update

Rail Operations

Operators have been adjusting their December 2020 timetable plans, which will begin on Sunday 13 December, to ensure greater stability whilst dealing with Covid-related resource challenges. The team continues to monitor passenger demand very closely. In the second national lockdown TransPennine Express passengers are at 27% of pre-Covid levels and Northern’s at 15%. The Strategic Rail and IST teams continue to work with Northern on potential initiatives for smart ticketing and fares incentives as part of building back rail demand when appropriate. Planning is underway for the next meeting of the Rail North Committee on 12 January 2021 where agenda items will include an update on the next steps on Central Manchester capacity issues.

Further development options for a potential May 2022 timetable change centred on central Manchester have developed an improved set of results which allows the process to move forward to public consultation. A significant amount of work is going into preparing the document, communications plans, and member working group sessions.

Transpennine Route Upgrade (TRU)

The team has recently challenged the DfT to continue assessing the benefits, costs and programme opportunities of delivering W10/12 gauge along the North Trans Pennine corridor as part of TRU which would allow larger freight containers along the route. TfN is seeking to ensure that the strategic case for gauge clearance can be properly considered as part of the overall decisions made on the TRU scheme in light of the IRP and at the time of writing was awaiting a response from the DfT. A special Rail North Committee working group was planned for 4 December to receive an update on TRU from the DfT and NR.

Other Rail Investment

An updated Outline Business Case for the re-opening to passengers of the Northumberland Line (Newcastle – Ashington) has been approved by DfT’s Rail Investment Board. The scheme is now on track for delivery in late 2023. TfN has provided input which has resulted in the scheme being developed with an operating cost 14% lower than would otherwise have been the case (over £1m pa saving). A successful online event for community and rail user groups was held on 25 November with around 100 participants.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Risk: The long-term effect of Covid-19 on viability of train services – The second national lockdown and tighter restrictions on travel is likely to affect the time it will take for the industry to recover to pre-Covid-19 levels. This may impact on the future of train service investment decisions which might affect TfN's ability to achieve its ambition for the North of England.	<ol style="list-style-type: none"> 1. TfN is currently awaiting a response from DfT on the Economic Recovery Plan which was submitted in July 2020. Work to develop a "quick win" programme is underway. 2. Messaging and communications will continue to promote safe use of public transport where local restrictions allow. 3. The next timetable uplift in services is December 2020. 4. Work into the New Year with train companies using ticketing/marketing/offers to rebuild confidence, attract passengers back, and entice new passengers as appropriate. 	9
Risk: DfT reprioritisation and the Williams Review - The coronavirus pandemic has meant DfT has had to focus its resources on responding to the pandemic. This has led to the delay in the publication of the Williams Review. In addition, the Government may choose to focus on centrally deliverable initiatives such as franchise delivery and focus less on devolution. As a result, this may not align with the strategy of Members and would require a wider response from TfN.	<ol style="list-style-type: none"> 1. TfN will continue to make the case for reform that supports the North's ambitions and will respond to the Williams White Paper once published. 2. To mitigate the risk further, TfN is developing material to inform our response when the White Paper is published. 	9
Risk: The short-term effect of Covid-19 on the reintroduction of services on to the network – Services could be further impacted by resource levels among operators and restrictions around staff training. This will impact on localised areas which will see reductions in connectivity and frequency until driver training is delivered. Furthermore, the rollout of further new trains will also be delayed possibly leading to a reliance on older rolling stock.	<ol style="list-style-type: none"> 1. TfN continues to work closely with operators to review timetables in advance of changes and to feed in key areas of concern to be addressed. 2. Driver training has recommenced and TfN continues to work with operators to understand the impact and appropriate mitigations as a result of the backlog. 3. TfN is working with operators to understand train crew sickness levels following the recent increase in Covid-19 cases and any regional impacts this could have on services. 	

Programme and look ahead

- Support, monitor and help shape the industry recovery from Covid-19 to rebuild services, demand and passenger confidence.
- Work with operators for further timetable uplifts including May 2021.
- Continue to develop the ERP "quick win" programme.
- Working through the Rail North Committee and TfN Board, respond to industry proposals for mitigating cross-Manchester performance issues.
- Produce a draft report on how Strategic Rail can prioritise and develop proposals for addressing Network Gaps linked to the Long-Term Rail Strategy (LTRS) and produce a delivery plan for the TfN Stations Strategy.
- Continue to input to work on the IRP and Union Connectivity Review (UCR).
- Continue to work closely with the DfT and NR to secure successful delivery of the TRU project objectives.

Operations Summary

Monthly Introduction

During November, operational teams have mainly been focused on: comms responding to the Spending Review and other areas and planning for TfN's Annual Conference on 14 December; Finance & Procurement continued to lead business planning, support programmes including NPR and operational functions such as TAME in upcoming procurements, and have concluded the 2019/2020 statutory accounts process; Legal have updated the TfN constitution in line with the recent need for continued virtual public meetings, with Local Government Associations (LGA) writing to the Secretary of State to request that regulations are made permanent; Strategy continue their work on TfN's Decarbonisation and Freight Strategies, and concluded initial work on the Integrated Rail Plan; and TAME continue their support of NPR in their preparation for SOC submission in March 2021, while continuing the development of various tools. A draft response to the Union Connectivity Review is being prepared for partner approval before the deadline of the end of the month.

Following the one-year SR 2020 announcement on 25 November, TfN is still awaiting notification from DfT regarding funding for both its core operations and its major programmes. Discussions are most advanced in relation to the NPR programme but as yet there is insufficient clarity to commence detailed business planning at a corporate level for the 2021/22. Instead, TfN is undertaking a process that seeks to identify priorities and align activity so as to enable a full planning process to be undertaken once the funding envelop is known. As previously indicated to TfN Board, the delayed notification of funding has the potential to create significant challenges to the development of a robust, fully funded budget by the report deadline for the 10 March Board.

Activity Update

Summary updates on key actions from TfN operational teams are as follows:

Stakeholder Engagement & Communications Team (SECT)

- The SECT has continued to promote activity across TfN's suite of corporate communication channels.
- This activity has involved, among other topics, responding to the Spending Review, publication of the NIS and changes to the Green Book.
- TfN has also been working with communication leads at HE, providing input and support into communications for key project updates such as the A66.

- Following November's TfN Board meeting, the initial advice on the preferred NPR network was released to the media and profiled across social media channels.
- The news of TfN Chief Executive's resignation was also communicated internally and externally.
- Engagement activity continues at pace, with the second community rail user event successfully held online following the first similar event in 2019. This brought together the rail industry, operators and TfN's Strategic Rail team with passengers and interest groups across the North.
- Rail updates for TfN Members have also been arranged, including specific briefings on the TransPennine Route Upgrade and Manchester Recovery Task Force, to take place in December.
- Confirmed for 14 December, TfN's Annual Conference will take place online, with work on securing registrations continuing and planning for the event underway.
- The team is readying to respond to publication of the Rail Needs Assessment (anticipated for December) by the NIC, and continues to keep TfN staff engaged through timely and impactful internal communications.

Finance & Procurement

- The Procurement Department continues to support the business around Covid-19 work activities.
- The team is working closely with TAME/NPR colleagues to manage the procurement pipeline and develop the long-term procurement strategy for the coming year and beyond. In addition, a number of procurements/contract extensions have been awarded, including Great Britain Freight Model (GBFM), Local Freight, and IST Innovation Additional Support. The following projects are currently out in the market for tender or close to be awarded; Mobile Device Data, Distributional Impact Appraisal, Transport Related Social Exclusion, Wider Impact Calculator, Visitor Economy, and IPBA.
- TfN Statutory Accounts 2019/20 process was concluded. A clean External Audit Report covering Accounts and Value for Money was issued by the External Auditors. The Accounts were approved by the Board on 18 November and subsequently posted on the TfN website for public review.
- Budget Revision 2 was approved by TfN Board and Budget Revision 3 is currently being prepared.
- An internal audit review of e-commissioning system was completed that provided the highest level of assurance.
- Funding Agreements for NPR, IST and Core were concluded for 2020/21.
- The TDF Funding Letter 18 was issued. The first £5m core funding for 2020/21 has been received.

Legal & Democratic

- Virtual public meetings continue to be held, and the TfN Constitution has been updated to include formal procedure rules for this purpose. Current regulations allowing virtual meetings expire in May 2021 and the position continues to be monitored; the LGA and other local Government

organisations wrote on 16 October to the Secretary of State calling for the regulations to be made permanent.

- The TfN Modern.Gov website is now live and agendas for the Scrutiny Committee on 28 October, Board on 18 November, Audit and Governance Committee on 19 November and Scrutiny Committee on 9 December have been successfully sent out and published. Work continues on providing Members and Officers with access to the “restricted app”, which will allow secure access to papers. The app also allows the user to make annotations on their papers. The team continues to work on rolling out the second phase of the system which includes a revised report template, report writing refresher training and development of draft reports through the modern.gov system.
- The team continues to support governance through input into a range of workstreams across TfN including the Innovation Partnership project.

Strategy, Policy, Economics & Research

- TfN has concluded the initial work with partners on the Integrated Rail Plan (IRP) for the North and Midlands. We now await the publication of the NIC’s Rail Needs Assessment before the end of the year. At the time of writing, we do not know when the government’s IRP will be published, although the government has indicated it will now be in 2021.
- Development of TfN’s Decarbonisation Strategy continues on track to be submitted to the March TfN Board meeting. Initial proposals for the strategy including proposals for a pan-Northern trajectory will be considered at the Partnership Board in January.
- Similarly, our work on a new Freight Strategy for TfN is progressing well and analytical work is nearly complete. We will be engaging with officers and Members on this in the new year.
- We are preparing an initial response to the UCR on behalf of TfN and will circulate a draft in mid-December. TfN is also preparing a response to the Devolution All Party Parliamentary Group (APPG) enquiry into the role of central Government reform in English devolution.
- The team is also continuing to develop the monitoring and evaluation strategy for TfN, building on the work undertaken for the STP and drawing a clear link between TfN programmes, transport interventions and our STP objectives.

TAME (Technical Assurance, Modelling & Economics)

- The TAME team continues to be heavily involved in supporting the NPR team with the SOC delivery. TAME Assurance and their suppliers are testing the preferred core versions of the full NPR scheme network tests within the TAME Analytical Framework.
- As part of this programme of network testing TAME is further developing the Northern Rail Modelling System (NoRMS) to model the 2040 future year, where the forecasting methodology will incorporate the latest Government economic forecasts, in line with DfT requirements and aligned to other major scheme business cases that are currently being prepared.

- TAME is continuing to work with the DfT to assure NoRMS and the Northern Economy and Land-Use Model (NELUM) for use within the NPR SOC. TAME is currently agreeing revised validation criteria for NoRMS to apply to future model versions. TAME suppliers are also analysing the model responses and sensitivities within NoRMS in response to DfT review and comments.
- TAME and their suppliers are continuing with a programme of work to develop the Northern Highway Assignment Model (NoHAM) in readiness for the IPBA programme next financial year. Work is progressing in setting up the model to forecast future year travel conditions on the highway network to assess the travel time benefits of proposed schemes.
- TAME staff have been attending a series of training courses aimed at expanding the knowledge of the TAME Analytical Framework tools to build resilience in supporting TfN's programmes of work into 2021 and beyond.
- The Future Travel Scenarios report, which TAME analysts have contributed significantly to, is due to be published in early December. TAME is also contributing analysis and narrative to the draft TfN Decarbonisation Strategy, which will go to TfN Board in January.
- TAME is preparing to support a number of Strategic Rail projects using the Analytical Framework towards the end of 2020-21.

Financial Performance

Financial Update

Summary

Expenditure incurred in November: £4.77m

Variance to November monthly budget: Underspend of £1.49m

Year to-date expenditure: £35.73m

Year to-date variance to Budget Revision 2: Underspend of £2.17m

Headlines

- Financial position for Period 8 is monitored against the Revision 2 budget.
- A final budget revision exercise is being carried out in December to be approved by TfN Board in January.

Programmes:

- Expenditure of £4.15m represented an underspend of £1.35m (24%) in the month.
- The main drivers of underspend were the NPR programme (£1.02m) and IST Phase 1 (£0.32m).

Integrated & Smart Travel:

- Programme-wide expenditure of £0.77m with an underspend of £0.30m (28%) in the month.
 - Underspend in Phase 1 (£0.32m) was driven by delayed expenditure on mobile ticket onboarding, pending user acceptance by Northern and confirmation of final costs. Merseytravel civils work completed in the month, final cost submissions are being prepared but work is within budget.
 - Phase 2 innovation expenditure was slightly ahead of budget (£0.02m), due to additional external support for evaluation activity.

Northern Powerhouse Rail

- Expenditure of £3.34m represented an underspend of £1.02m (23%) in the month. YTD expenditure of £24.37m is 5% under budget.
 - Network Rail expenditure was £0.54m under budget in the month. This was expected due to a revised forecast received after Revision 2 projecting a lower outturn position.
 - There has been continued underspend on modelling work (£0.29m), although there is likely to be some catch up in future periods alongside additional slippage into FY21/22 identified.
 - Programme support costs were marginally under budget.

- There has been no expenditure to date on communications & stakeholder engagement activity, pending commitment.

Strategic Development Corridors (SDC)

- Expenditure was £0.04m in the month, an underspend of £0.03m. This was due to a delayed start to activity on IPBA Road schemes SOP, which will now commence in January.

Operations:

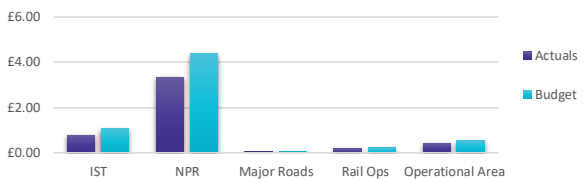
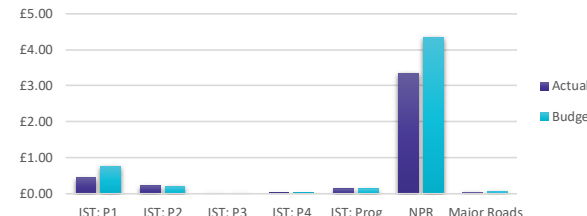
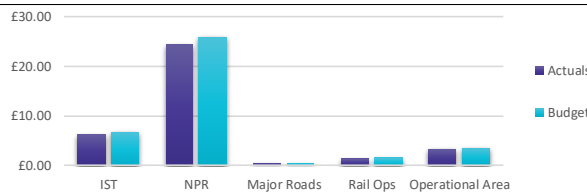
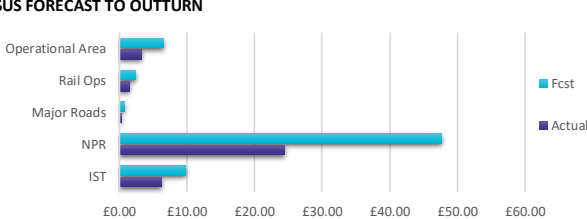
Rail Operations

- Expenditure of £0.18m represented an underspend of £0.03m (15%) in the month. This is driven by lower than expected consultancy expenditure in the month.

Operational Areas

- Expenditure of £0.44m in the month, represented an underspend of £0.1m against budget (19%).
 - £0.07m of underspend in the Strategy & Policy area, due to phasing with expenditure expected to catch up.
 - £0.02m of underspend in the Communications & Stakeholder Engagement area due to the TfN Virtual Conference taking place in December rather than November.
 - £0.01m ICT underspend due to postponed ERP testing activity.

Activity Dashboard

TRANSPORT FOR THE NORTH FINANCE DASHBOARD					PERIOD BUDGET CYCLE	8 REVISION 2	NOV 2020/21		
PERIOD ACTUALS VERSUS BUDGET									
	Actuals £m	Budget £m	Var. £m	Var. %					
Integrated and Smart Ticketing	£0.77	£1.07	£0.30	28%					
Northern Powerhouse Rail	£3.34	£4.36	£1.02	23%					
Major Roads	£0.04	£0.06	£0.03	42%					
Programmes	£4.15	£5.50	£1.35	25%					
Rail Operations	£0.18	£0.21	£0.03	15%					
Operational Areas	£0.44	£0.55	£0.10	19%					
	£4.77	£6.25	£1.49	24%					
PERIOD ACTUALS VERSUS BUDGET: PROGRAMMES									
	Actuals £m	Budget £m	Var. £m	Var. %					
IST: Phase 1	£0.43	£0.75	£0.32	43%					
IST: Phase 2	£0.21	£0.19	-£0.02	-9%					
IST: Phase 3	£0.00	£0.00	£0.00	-					
IST: Phase 4	£0.01	£0.01	£0.00	-2%					
IST: Programme	£0.13	£0.13	£0.00	1%					
Northern Powerhouse Rail	£3.34	£4.36	£1.02	23%					
Major Roads	£0.04	£0.06	£0.03	42%					
	£4.15	£5.50	£1.35	25%					
YEAR TO-DATE ACTUALS VERSUS BUDGET									
	Actuals £m	Budget £m	Var. £m	Var. %					
Integrated and Smart Ticketing	£6.26	£6.77	£0.51	7%					
Northern Powerhouse Rail	£24.37	£25.78	£1.41	5%					
Major Roads	£0.35	£0.38	£0.03	8%					
Programmes	£30.98	£32.93	£1.95	6%					
Rail Operations	£1.43	£1.48	£0.05	3%					
Operational Areas	£3.32	£3.50	£0.18	5%					
	£35.73	£37.90	£2.17	6%					
YEAR TO-DATE ACTUALS VERSUS FORECAST TO OUTTURN									
	Actuals £m	F/cast £m	Var. £m	Var. %					
Integrated and Smart Ticketing	£6.26	£9.77	£3.51	36%					
Northern Powerhouse Rail	£24.37	£47.62	£23.25	49%					
Major Roads	£0.35	£0.69	£0.35	50%					
Programmes	£30.98	£58.09	£27.11	47%					
Rail Operations	£1.43	£2.46	£1.02	42%					
Operational Areas	£3.32	£6.57	£3.25	49%					
	£35.73	£67.12	£31.38	47%					
FUNDING YEAR TO DATE					FUNDING FORECASTS TO OUTTURN				
Funding Stream	Actuals £m	Budget £m	Var. £m	Var. %		Actuals £m	F/cast £m	Var. £m	Var. %
TDF - Rail	£23.74	£25.17	£1.43	6%	TDF - Rail	£23.74	£46.67	£22.93	49%
IST - Capital and Revenue	£6.26	£6.77	£0.51	8%	IST - Capital and Revenue	£6.26	£9.77	£3.51	36%
Core Grant	£4.71	£4.93	£0.22	4%	Core Grant	£4.71	£9.09	£4.38	48%
Rail North Grant & Contributions	£0.87	£0.87	£0.00	0%	Rail North Grant & Contributions	£0.87	£1.30	£0.43	33%
TDF - Roads	£0.00	£0.00	£0.00	-	TDF - Roads	£0.00	£0.00	£0.00	-
Trading Income	£0.16	£0.17	£0.01	5%	Trading Income	£0.16	£0.28	£0.12	44%
	£35.73	£37.90	£2.17	6%		£35.73	£67.12	£31.38	47%

HR Update

Human Resources Update

Salaried Establishment as at **7 December 2020**

Established/ Fixed-term (Transition) Posts

Area	Established Posts (Over 2 years)	Fixed-term (Transition) Posts (Up to 2 Years)	Total
CEO/Chair	2 (1.17 FTE)	-	2 (1.17 FTE)
Support Services	30 (29.32 FTE)	6 (6.00 FTE)	36 (35.32 FTE)
Operational & Delivery	91 (88.90 FTE)	38 (37.60 FTE)	129 (126.50 FTE)
Total Establishment	123 (119.39 FTE)	44 (43.60 FTE)	167 (162.99 FTE)
Strength (in post)	106 (103.07 FTE)	28 (27.60 FTE)	134 (130.67 FTE)
Appointed (start date pending)	0 (0.00 FTE)	0 (0.00 FTE)	0 (0.00 FTE)
Active/Pending Recruitment	3 (3.00 FTE)	0 (0.00 FTE)	3 (3.00 FTE)
Vacant – On-hold	14 (13.32 FTE)	16 (16.00 FTE)	30 (29.32 FTE)

Chief Executive Recruitment - Aligned to TfN's constitution both the recruitment process and final appointment will be subject to TfN Board approval. Barry White leaves TfN on 15th May 2021.

Agency Resource - Covering Vacant Posts

Area	Posts (FTE's)
Support Services	2 Post (2.00 FTE)
Operational & Delivery	2 Posts (2.00 FTE)
Total	4 Posts (4.00 FTE)

Consultancy Resource - Covering Vacant Posts

Area	Posts (FTE's)
Support Services	0 Post (0.00 FTE)
Operational & Delivery	10 Posts (9.80 FTE)
Total	10 Posts (9.80 FTE)

HR Metrics – 2020/21 Year to Date

Corporate Sickness Level:	3.2%
Employment Policy Application:	3.7%
Employee Turnover (Voluntary Leavers):	7.2%
% of Employees from an Ethnic Minority Background:	14%
% of Employees declaring a Disability:	11%
Gender Mix - % of Female Employees:	40%
% of Male Employees:	60%

KPIs

Key Performance Indicators

Transport for the North's Key Performance Indicators (KPIs) are outlined in the published Business Plan for 2020-21. The below table outlines the programme and organisational KPIs and provides a summary of the year-end position.

Key	Number of KPIs with this status	
Achieved		4
On Track		5
In Progress		3
Delay		3
Delay – beyond this year end (BTYE)		1

Area	KPI	Detail	Progress	Status
Corporate	1	Agree with Government the phasing and prioritisation of the Integrated Rail Plan for High Speed North. December 2020	In Progress	
			An initial TfN position was agreed at Board in September and submitted to the NIC. TfN Chief Executive wrote to DfT ministers in November following the Board's agreement to an initial preferred network and phasing of Northern Powerhouse Rail.	
Northern Powerhouse Rail	2	Agree and submit Strategic Outline Case to Government. January 2021	Delay	
			The SOC timeline has been rephased due to the impacts of Covid-19 and was approved at TfN Board on 29 April 2020. The revised SOC submission date is March 2021.	
Integrated and Smart Travel	3	Complete the delivery of the Integrated and Smart Travel on Rail Project (Phase 1). November 2020	Delay	
			MerseyRail have installed all 66 Pvals. Northern are still on schedule to complete this financial year. There is a push to complete the majority of the remaining Pval installations in December, but upgrades to gates at Manchester stations and Bradford Interchange have been delayed until February 2021.	
Integrated and Smart Travel	4	Complete the delivery of Phase 2 of the Integrated and Smart Travel Programme (informed customers). March 2021	On Track	
			The phase remains on track to meet the KPI. DMT (Disruption Messaging Tool) and ODH (Open Data Hub) are in Business As Usual. Final enhancements to DMT remain on schedule to 'go live' in January 2021. The Fares Tool has moved into the third stage (beta public) and is to be handed over to DfT for national use in December.	
	5		Delay	

Integrated and Smart Travel		Agree a plan for the delivery of contactless payments on rail, in collaboration with the DfT and Rail Delivery Group (Phase 3). December 2020	A paper outlining the North's proposals to accelerate contactless on rail in the North has been presented to the June's meeting of DfT's Investment Committee but a decision on future funding has been deferred until the outcome of the Spending Review (SR). A proposal of what TfN can achieve in the one-year SR period has been submitted to DfT.
Major Roads	6	Agree and approve the Transport for the North Major Roads Report. March 2021	<div>Delay BTYPE</div> <div>The technical report has been completed. The publication of the final Major Roads Report has been postponed so the report can take account of both the TfN Decarbonisation Strategy, and DfT's delayed Transport Decarbonisation Plan. This will not have any negative implications for other programmes.</div>
Strategic Rail	7	Implement the recommendations in the Blake-Jones review. June 2020	<div>Achieved</div> <div>The Blake-Jones Action Plan was presented and approved at the 12 May 2020 Rail North Committee meeting and a final report was approved at Rail North Committee in July 2020 and the team is now embedding the actions into the business as usual operating model. The slight delay was due to attention focused on responding to the rail operational aspects of the Covid-19 crisis. There are longer-term issues on funding for additional resource, and a response is awaited from DfT, anticipated after the SR.</div>
Strategic Rail	8	Develop a TfN response to the Williams Review. Within three months of publication	<div>On Track</div> <div>A response to the Williams Review will be developed within three months of its publication; the date of which is yet to be announced.</div>
Strategic Rail	9	Support the industry and Rail North Partnership in the response to and recovery from COVID-19, including a strong focus on the needs of passengers and businesses, together with the short-term investment needed to support the recovery. March 2021	<div>In Progress</div> <div>Strategic Rail is proactively supporting the industry through the crisis and recovery, for example through the newly formed Rail North Officer Group (Operations). A plan to support the economic recovery by investment in infrastructure has been developed and submitted to DfT as part of the TfN Economic Recovery Plan (ERP) in July 2020. Work has begun on developing an ERP "quick win" programme.</div>
Investment Programme	10	Update and refresh the TfN Investment Programme, based on an agreed Assurance Framework and using the outputs of the SDC Qualitative Sequencing process. September 2020	<div>Achieved</div> <div>The update of the Investment Programme following the qualitative sequencing process, and applying the developing Assurance Framework, has been achieved.</div>

Strategy	11	Develop a Decarbonisation Strategy for approval by the TfN Board and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	On Track	
			Analytical work on Decarbonisation Pathways is completed and work on strategy underway. Initial version of the Decarbonisation Strategy has been briefed to Exec Board in preparation for consideration at the next Partnership Board.	
Strategy	12	Develop an inclusive and sustainable growth framework that will sit alongside the Strategic Transport Plan and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	In Progress	
			Following completion of KPI 16, work is ongoing to finalise the approach to the assessment of the TfN Investment Programme using the Decarbonisation Pathways developed by TAME.	
Strategy	13	Develop a Freight Strategy for approval by the TfN Board and ensure that this is embedded in TfN's Investment Programme Assurance Framework. March 2021	On Track	
			Work to develop the TfN Freight remains on track and main analytical work nearly completed. An update will be provided to Members at the next Partnership Board. Further engagement with officers in early 2021.	
Modelling and Analysis	14	Complete and deploy the Analytical Framework throughout TfN's programmes. March 2021	On Track	
			Substantial progress has been made in preparation of the Analytical Framework for NPR and IPBA programmes, with the programme of activities to March 2021 fully mapped. Delivery is still subject to risk, as evidenced by the recent change to the NPR open-year assumption which creates a number of remedial tasks. These risks are being proactively managed by TAME programme leads.	
Organisation	15	Develop and provide a Comprehensive Spending Review submission to Government. At date set by HMT	Achieved	
			A CSR submission was provided to the DfT on 28 August in line with departmental deadlines. On 21 October the Chancellor announced a revised one-year process to conclude at the end of November. TfN submitted a supplemental SR submission to the Department, reflecting the move to a single year settlement, on 6 November.	
Organisation	16	Develop and adopt the Northern Transport Charter. June 2020	Achieved	
			The team completed work on the remaining Northern Transport Charter (NTC) proposals which were endorsed and adopted by the Board in July. There is now ongoing follow-on work about how to embed demonstrating TfN's capability for greater devolution in next year's business plan.	



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