

Transport for the North Board Agenda

Meeting: Transport for the North (TfN) Board
Date: Thursday 5 April 2018, 2:00pm – 5:00pm
Venue: Ground Floor Meeting Room, No. 1 Mann Island, Mann Island,
Liverpool, L3 1BP

Constituent Authority Attendees:

CLlr Phil Riley	Blackburn with Darwen
CLlr Fred Jackson	Blackpool
CLlr Liz Wardlaw	Cheshire East
CLlr Samantha Dixon	Cheshire West & Chester
CLlr Ian Gillies	City of York
CLlr Keith Little	Cumbria
Mayor Andy Burnham	Greater Manchester
CLlr Martin Mancey	Hull
CLlr Geoff Driver	Lancashire
Mayor Steve Rotheram	Liverpool City Region
CLlr Liam Robinson	Liverpool City Region
CLlr Rob Waltham	North Lincolnshire
CLlr Carl Les	North Yorkshire
CLlr Julie Dore	Sheffield City Region
CLlr Terry O'Neill	Warrington
CLlr Judith Blake	West Yorkshire

Statutory Co-optees:

John Cridland	Chair of the TfN Partnership Board
CLlr Chris Brewis	Lincolnshire
CLlr John Ogle	Nottinghamshire
CLlr Mark Winnington	Staffordshire

Invited as Potential Co-optees:

Peter Waterman	Cheshire and Warrington LEP
Jim Jackson	Cumbria and Lancashire LEP
Mike Blackburn	Greater Manchester LEP
Lord Haskins	Hull and the Humber LEP
Asif Hamid	Liverpool City Region LEP
Matthew Lamb	North Yorkshire LEP
Martin McKervey	North East LEP
Paul Booth	Tees Valley LEP
Jim O'Sullivan	Highways England
Lorna Pimlott	HS2 Ltd.
Sir Peter Hendy	Network Rail

Also Present:

Jo Johnson

Ben Smith
Barry White
Alastair Richards
David Abdy
Dawn Madin
Deborah Dimock
Iain Craven
Jonathan Spruce
Peter Molyneux
Sasha Wayne
Stephen Hipwell
Tim Wood

Minister of State for the Department
for Transport
Department for Transport
Chief Executive Officer
IST Programme Director
Portfolio Director
HR and Mobilisation Director
Solicitor
Finance Director
Interim Strategy Director
Major Roads Director
Head of Legal
Head of Human Resources
NPR Director

Apologies:

Cllr Trevor Ainsworth
Cllr Symon Fraser
Roger Marsh
Cllr Nick Forbes
David Land
Cllr Dave Watson
Cllr Jon Collins
Cllr Daniel Jellyman
Cllr Bill Dixon
David Hoggarth

Derbyshire
East Riding of Yorkshire
Leeds City Region LEP
North East
North East LEP
North East Lincolnshire
Nottingham
Stoke-on-Trent
Tees Valley
Rail North Director

1.0 Welcome and Apologies (v)

Action

- 1.1 Barry White (BW), Chief Executive of Transport for the North, opened the meeting.
- 1.2 BW asked if there were any declarations of interest to be made at this stage. No declarations were made.
- 1.3 Apologies for absence were noted.

2.0 Member Discussion (v)

A member discussion was led by Jo Johnson (JJ), Minister of State for the Department for Transport.

Main points referred to:

2.1 JJ greeted those present and said that it was a great pleasure to be in attendance. JJ offered congratulations on Transport for the North's (TfN) historic achievement of becoming the first Sub-national Transport Body on a statutory footing in England, and noted that this is a great moment for devolution.

JJ explained that he is pleased that the government is giving support to TfN, with its transformational infrastructure projects which will significantly improve the lives of 16 million people in the North, putting public money to good use to improve the North. The government wants to see TfN deliver on its potential. He commented that the Secretary of State for Transport wants to see Northern Powerhouse Rail come into existence in lockstep with other big infrastructure schemes in the country, and he is committed to getting this completed in the fastest time frame that it possibly can be done, in a way that supports good value for public money.

2.2 Questions were invited from those around the table.

2.3 Cllr Keith Little welcomed the Minister's comments, and explained that there needs to be infrastructure work done in Cumbria as well as works on the West Coast line, which are needed soon, otherwise investment will be lost. The importance of this was stressed.

2.4 Jim Jackson, Cumbria LEP, echoed the comments on work in Cumbria; this needs to be brought in to fruition in the next three months or the opportunity will be lost. Very significant businesses are partnering with Cumbria to develop those, and it is important not to lose momentum as long-term work on NPR is completed.

2.5 Jo Johnson commented that the government is investing a significant amount of money in to the North of England, £13bn, between 2015-2020, so whilst there are long-term investments planned, there are short-term investments taking place, too.

2.6 Cllr Judith Blake, West Yorkshire Combined Authority, commented that she and the Board are very pleased to welcome the Minister. She explained that the North has recognised that there

has been a shortfall in funding and there is a now a high expectation that the 19 constituent authorities working together has more strength than they have before. Cllr Blake asked JJ how he would answer those people who are disappointed that TfN does not have the same powers as Transport for London. She explained that she wants to hear a firm commitment to the North's well-worked up plans, and hopes to see this in the autumn statement. She explained that the North has a sense of grievance that it has not had what is rightfully theirs. She explained to the Minister that he has the Board's commitment that the members are all prepared to do what is needed to rebalance the economy.

- 2.7 JJ commented that it is important to celebrate that the North is working as one voice. The North now has a stronger voice in policy making, and gives greater weight when it comes to the allocation of resources. He commented that this is a great way to remedy that grievance. He explained that the Department wants the North to be more strategic. London is very different in nature. TfN does not have the same operational needs that Transport for London has.
- 2.8 Andy Burnham, Greater Manchester, commented that he feels that the debate about transport for the North is moving forward today, and that the North is now getting ready to make serious investments in its transport. He explained that he feels it has reached a point where the government's view of where HS2's plans are up to is not fully aligned yet with where those around the table think it is. He asked how the Minister sees those issues being managed in the coming period. He explained that the purpose of this is ensuring the right solution for the North of England. He wants to be clear that TfN does not become a mouth piece for the Department for Transport (DfT) and is still able to argue for what it wants for transport in the north.
- 2.9 JJ responded that this is a very important body to make the strongest possible strategic case for the North so it gets the best investment over the next 30-50 years. There is never an infinite amount of expenditure, and that does mean careful attention being paid to value for money and affordability. He

commented that he knows that the productivity gap is due in no small part to poor infrastructure.

- 2.10 Cllr Rob Waltham, North Lincolnshire, welcomed the comments made by the Minister about financial commitments, and acknowledged that there is not a bottomless fund available. Cllr Waltham asked the Minister if he had a view on how TfN as a body can improve its credibility so that it can be treated fairly and comparably to other areas who need the money, too.
- 2.11 JJ explained that the DfT's BICC will look very carefully at TfN's business cases alongside other claims and will be ranked in a careful and evidence-based manner. He commented that this is now a great forum to develop a really strong case.
- 2.12 BW thanked JJ for taking the time to attend the meeting today.
- 2.13 It was noted at this point that Steve Rotheram, Liverpool City Region Metro Mayor, would leave the meeting to attend a private meeting with the Minister, and Cllr Liam Robinson was therefore welcomed as the Deputy representative for Liverpool City Region to take Mayor Rotheram's voting chair at the table.

(The Minister and Steve Rotheram left the meeting at this point.)

3.0 Approval of Shadow Board Minutes (r)

- 3.1 BW asked the representative of the constituent authorities to ratify the minutes of the Shadow Board meeting held on Thursday 8 February.

RESOLVED: that the minutes of the Shadow Board meeting held on Thursday 8 February 2018 be approved as a true and accurate record.

- 3.2 There were no matters arising from the minutes that were not already covered elsewhere on the agenda.

4.0 Arrangements for the Conduct of TfN's Inaugural Meeting (r)

- 4.1 BW advised the Board that those Members who were not present at the meeting had submitted

their approval in writing for the decisions to be made at the meeting on co-option which required all Members to agree, and therefore, the Board was in a position to make any decisions which would require the consent of all Members.

- 4.2 The Board was advised that a decision to co-opt required all Members to agree and was invited to co-opt Mr John Cridland as a Member of the Transport for the North Board.

All were in favour.

RESOLVED: that Mr John Cridland be co-opted as a Member of the Transport for the North Board.

- 4.3 Mr John Cridland was invited to make any declarations of interest.

No declarations of interest were made.

- 4.4 The 19 Constituent Authority members were invited to appoint a person to chair its meetings for 2018/2019.

Cllr Liam Robinson proposed that Mr John Cridland be appointed.

Cllr Rob Waltham seconded this proposal.

All 19 Constituent Authority members were in favour.

RESOLVED: that Mr John Cridland be appointed as the person to chair the TfN Board meetings for 2018/19.

(Mr John Cridland took the Chair from this point in the meeting.)

- 4.5 The Chair invited the meeting to appoint two Vice Chairs for 2018/19.

- 4.6 Cllr Julie Dore clarified, as per the discussion detailed within the minutes of the Shadow Board meeting on 8 February 2018, that the two Vice Chairs should be appointed from the two current leading political parties.

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- 4.7 Members agreed that they would like the opportunity to discuss these appointments outside of the meeting, and it was therefore agreed that this item should be deferred to the next meeting All

5.0 Adoption of Constitution (r)

- 5.1 Sasha Wayne (SW), Head of Legal Services, was invited to present this item.
- 5.2 SW advised Members that Transport for the North had received a letter from a member of the public regarding the Constitution, which had been circulated around the table for information, in addition to the Chief Executive's response.
- 5.3 SW explained that TfN is required to have a Constitution and members today are asked to adopt the Constitution. The Draft Constitution was discussed at the Shadow Board meeting on 8 February 2018 and approved in principle. Any issues raised at that meeting have been actioned in the current version.
- 5.4 Under item 1.6 of the report, it was recommended TfN Board approve and adopt the Constitution in the form attached as Appendix A.
- 5.5 Mr Burnham noted the large amount of work that had gone in to creating the constitution, and explained that for those not present at the Shadow Board, it is a lot of information to be presented with at the first meeting. He raised concern about whether the constitution guarantees the independence of TfN and whether the relationship with the DfT has been defined clearly enough. He queried whether the Constitution could be adopted today, but adapted if it is necessary to do so moving forwards.

SW confirmed that there are provisions within the Constitution to allow for amendments.

It was agreed that this would be reviewed in six months' time.

RESOLVED: that Members adopt the TfN Constitution.

- 5.6 The Board was asked to note the members and substitute members nominated by each Constituent Authority.

RESOLVED: that this be noted.

5.7 The Board was asked to note the co-option of the Independent Chair of the Partnership Board and representatives of the 6 Rail North Authorities as members of the TfN Board.

RESOLVED: that this be noted.

5.8 The Board were advised that they could appoint other co-opted members of TfN provided they all agreed to do so. The Board was asked to appoint representatives of the 11 Local Enterprise Partnerships and representatives of HS2, Network Rail and Highways England to be co-opted members of TfN. It was reported that the agreement of all the absent Members had been obtained

RESOLVED: All Members agreed that the Board make the appointments as detailed above.
Mr John Cridland declared a Disclosable Pecuniary Interest in the next item and resigned the Chair and left the meeting.
The Chair was taken by Cllr Liam Robinson for this item.

5.9 The Partnership Board section of the Report was summarised and the contents were noted by the Board.

RESOLVED: that the Report be noted.

5.10 The Board was asked to appoint a Partnership Board comprising representatives of the 19 Constituent Authorities, the co-optees, the Independent Chair of the current Partnership Board and a representative of the Department for Transport.

RESOLVED: that the Board appoint a Partnership Board as detailed above.

5.11 The Board was asked to appoint the Chair of the Partnership Board.

Cllr Liam Robinson nominated John Cridland as the Chair of the Partnership Board.

The nomination was seconded.

RESOLVED: that the Board appoint John Cridland as the Chair of the Partnership Board.

5.12 John Cridland returned to the meeting and took the Chair for the remainder of the meeting.

5.13 The Board was asked to note the voting rights assigned to the Rail North Authorities in relation to rail franchise matters and to note that no further voting rights shall be granted to co-opted members.

RESOLVED: that this be noted.

5.14 The Board was asked to establish an Audit and Governance Committee with a membership of 3 independent members and 4 members drawn from the TfN Board. It was noted that those three independent members have now been selected. Members were asked to consider nominations for the Audit and Governance Committee.

It was agreed that this item would be deferred to the next meeting. All

5.15 Members were requested to note the composition of the Scrutiny Committee, and the principles governing its way of working be noted and endorsed.

RESOLVED: that this be noted and endorsed.

5.16 Information regarding the Rail North Committee was noted.

5.17 It was noted that TfN has not been required to adopt a Members' Code of Conduct or to set up a Standards Committee. In the case of Members who are elected Members of a Local Authority, they will be expected to abide by the Code of Conduct of their appointing Authority and any Standards complaints will be referred to that Authority.

5.18 Members were requested to note and approved the schedule of meetings.

RESOLVED: that this be noted.

- 5.19 It was proposed that the next meeting of the TfN Board be held in Manchester on Thursday 28 June 2018.

RESOLVED: that the proposal be agreed.

6.0 Appointment of Statutory Officers (r)

- 6.1 Dawn Madin, HR and Mobilisation Director, was invited to present this item.
- 6.2 The TfN Board was asked to approve the appointment of Barry White as Head of Paid Service, Sasha Wayne as Monitoring Officer and Iain Craven as the officer for the proper administration of the authority's financial affairs (Section 151 Officer).

RESOLVED: that the appointments outlined above be approved.

7.0 Business Plan (r)

- 7.1 Iain Craven, Finance Director, was invited to present this item.
- 7.2 The TfN Board is asked to approve the TfN Business Plan for 2018/19.

RESOLVED: that the TfN Business Plan for 2018/19 be approved.

8.0 Budget 2018/2019 (r)

- 8.1 Iain Craven (IC) presented this item.
- 8.2 For the Board to approve the TfN budget for 2018/19.

RESOLVED: that the TfN Budget for 2018/19 be approved.

9.0 Continuation of TfN's Transacting Arrangements (r)

- 9.1 IC presented this item.
- 9.2 The Board was asked to approve:
- i) That from April 2018, TfN is able to continue to rely upon commissioning and

procurements carried out on its behalf under the previous arrangements, including:

- a) Ongoing contracts with third party suppliers where goods or services have been commissioned under the Principles Document and procured on TfN's behalf by a partner authority;
 - b) Part completed procurements where the commissioning process is complete and the procurement process has commenced, but a where a supplier has not yet been appointed.
- ii) That the arrangements set out in the paper for the transfer of TfN cash from GMCA as the current accountable body are confirmed, including TfN's ability to reimburse GMCA if so required for expenses incurred prior to April 2018.

9.3 Cllr Julie Dore, Sheffield City Region, asked for clarification that this meant that no further contracts or commissioning would be done through Sheffield.

IC confirmed that all new contracts would be procured through Transport for the North.

RESOLVED: that the proposals as outlined above be approved.

10.0 Treasury Management (r)

10.1 IC presented this item.

10.2 Matthew Lamb, North Yorkshire LEP, queried the reserve strategy of £2 million. He explained that TfN has limited revenue and therefore questioned what sort of emergencies £2 million would be needed for.

IC explained that in some months, there is potentially £8-9 million being spent. There have been issues in terms of cash-flow previously, and if there is an issue going forwards with money being released from the DfT, there is no overdraft to fall back on.

IC explained that the £2 million figure can be revised in future if necessary.

- 9.3 The Chair suggested that this be reviewed at the end of the financial year before the new budget is prepared. IC
- 9.4 The Board was asked to approve the TfN Treasury Management Strategy.

RESOLVED: that the TfN Treasury Management Strategy be approved.

11.0 Consultation on the Strategic Plan (r)

- 11.1 Jonathan Spruce, Strategy Director, presented on this item.
- 11.2 JS updated the Board on consultation events that had been held across the North, and also on the number of downloads and responses received on the questionnaire thus far.
- 11.3 Cllr Samantha Dixon, Cheshire West and Chester, thanked the team for holding a consultation in Llandudno and welcomed the fact that the team is going the extra mile to engage with people all over the North.
- 11.4 Andy Burnham questioned how work on the Strategic Transport Plan (STP) links with the Long-Term Investment Plan (LTIP).
- JS explained that the LTIP accompanies the plan. An outline of what the plan will look like will be brought to the June meeting. The LTIP will be agreed alongside the final plan. JS explained that there is more certainty on the plans for the next five years, and less certainty in the longer term.
- Mr Burnham stressed the need to be clearer on the priorities and how the Board will be deciding on these.
- 11.5 Cllr Ian Gillies, City of York, commented that there had recently been a launch by the APPG for the East Coast Main Line. He explained that he did not want a duplication of work and therefore asked if there would be further consultation and exchanging of ideas.

JS confirmed that TfN relies on its constituent partners and a lot of the work for the East Coast corridor which has been done will be used.

- 11.6 Cllr Blake commented that there needs to be a clear plan on how TfN will keep consulting on its plans. Some of the consultation events were better attended than others. There needs to be more engagement with the local partners and business partners. Cllr Blake stressed the need to keep consulting as TfN moves things forward, otherwise there is a risk of constituencies stating they have not been consulted.

JS confirmed that there will be an internal review of how the consultation process went.

- 11.7 The engagement of local businesses had been noted, and it was expressed that this had been invaluable.
- 11.8 Cllr Mark Winnington, Staffordshire, noted the need for Midlands Connect and Transport for the North to work together.
- 11.9 Lord Haskins, Hull and the Humber LEP, noted that he attended some consultation events and was disappointed at the attendance. The challenge for TfN is getting through to the people that matter.
- 11.10 The Chair confirmed that TfN will learn from the experiences of the public consultation.
- 11.11 Members were requested to endorse the Draft Strategic Plan and the draft Integrated Sustainability Appraisal and adopt the public consultation activity carried out to date.

RESOLVED: that Members endorsed the Draft Strategic Plan and the Draft Integrated Sustainability Appraisal and adopted the public consultation carried out to date.

12.0 Rail North Limited (r)

DD

- 12.1 Deborah Dimock, Solicitor, was invited to present this item.

She advised Members that the alignment of the business of Rail North Ltd with TfN had been one of the core principles of the Submission Proposal.

Members were being asked to agree the principle of TfN taking over the business, assets and liabilities of Rail North Ltd and to approve the execution by TfN of the documents that would affect the business transfer. Members were further advised that the current hosting arrangements would need to continue until there was a transfer of the staff to TfN.

12.2 It was recommended that:

- a) That Members receive the information;
- b) That Members approve the transfer to TfN of the business, assets and liabilities of Rail North Limited and the execution of the following Agreements:
 - (i) The Rail North Business Transfer Agreement;
 - (ii) The Rail North Partnership and Novation Agreement.
 - (iii) The Rail North Franchise Management Agreement.

RESOLVED: that members approved the transfer of the business, assets and liabilities of Rail North Ltd to TfN, the execution of the following documents:

The Rail North Business Transfer;
The Rail North Partnership Novation and Variation Agreement;
The Rail North Franchise Management Agreement; and
The transfer to TfN of the current hosting arrangements.

13.0 Disclosure of Exempt Information (v)

13.1 The Chair asked members to consider that the public be excluded from the meeting during the consideration of report item 14 because it is likely that there will be disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A (as amended) of the Local Government Act 1972.

RESOLVED: that Members voted in favour of excluding the public for report item 14.

14.0 Resourcing (r)

Stephen Hipwell was invited to present the report on the future staffing requirements of TfN.

RESOLVED: that the report be received and the recommendations set out in the report be approved.

r = report; p = presentation; v = verbal

DRAFT