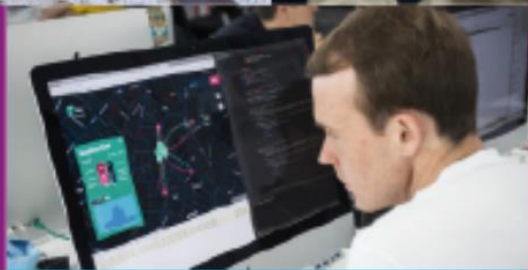


Transport for the North Monthly Operating Report February 2020



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Introduction

Summary from the Chief Executive

February saw the escalation of the threat to Transport for the North's operations from the Coronavirus and this has continued into March. In common with its Constituent Authorities, Transport for the North has undertaken a contingency planning exercise, based on existing business continuity arrangements, to address the challenges posed both by the virus itself, and the steps that might be taken to help control the outbreak. At the time of writing:

- The Rail North Partnership, with TfN input, is working very closely with the two main northern train operating companies to continue to run services and mitigate against the impact of Coronavirus – passenger numbers have fallen significantly already as people choose not to travel;
- TfN has moved to remote working (on 17 March) in line with Government guidance issued on the 16 March; and
- TfN meetings such as the Board meeting on 29 April will be kept under review and moved to consultative conference calls if necessary

The Oakervee Review was released on 11 February and on the same day Government announced the decision to complete HS2 in full. As part of the announcement, Government stated its intention to develop an Integrated Rail Plan for the Midlands and the North. The initial TfN response to the Integrated Rail Plan was presented for consideration at the 12 March Board.

Following the announcement in February that Northern would come under the control of DfT's Operator of Last Resort, Arriva Rail North's operations transferred to 'Northern Trains Ltd', a subsidiary of the Operator of Last Resort from 1 March. The Rail North Partnership team will continue to work with the DfT in the same way it has previously, managing the contract, which is now a new Services Agreement with Northern Trains. Northern Trains have appointed a new managing director, Nick Donovan, replacing David Brown. They are now developing a 100-day plan setting out how they intend to improve services in the short, medium and long term.

TfN has completed the development of the Disruption Messaging Tool (part of Phase 2 of the Integrated and Smart Ticketing programme) and it is scheduled to go live in March 2020.

TfN provided a submission to the budget focussing on the need to overhaul the Green Book approach to investment decision making, the need for NPR to be funded in full, and the push for a devolved northern transport budget.

Programme Summary

Northern Powerhouse Rail (NPR)

Monthly Summary

The NPR programme team is continuing to progress Sequence 4, which will result in an updated business case by the end of 2020.

The Government released the Oakervee Review of HS2 on the 11 February and has announced its intention to complete the HS2 network in full. However, a further assessment of Phase 2b is to be undertaken by the National Infrastructure Commission, the findings of which will feed into the development of the Integrated Rail Plan for the Midlands and North. Ministers have emphasised that the review should not delay the NPR programme which continues to progress as planned.

Activity Update

The NPR team has continued to work closely with Network Rail to ensure that partners are briefed in relation to emerging evidence on the Manchester – Sheffield corridor ahead of the sift on 28 May 2020 that will support decision making. Further, a focus has remained on the Manchester - Leeds corridor to ensure the 4+4 development is included in the sift workshops. The 4+4 development includes integrating a new line via Bradford with connections to Huddersfield (Scenario 1) and a new line to Brighouse and connections to Bradford and Huddersfield (Scenario 2). Lastly, the NPR programme team and Network Rail continue to work together to address Capacity Analysis issues on the Leeds – Newcastle corridor to ensure all information required for sifting is available.

The Northern Rail Modelling System (NoRMS) Iteration 1b, which is to be used for sifting, is now complete and being used to undertake model runs in preparation for sift workshops. Iteration 2 of NoRMS will be ready for peer review at the start of June, with the model being ready for use by the end of June. The analysis undertaken on Iteration 2 will support Strategic Outline Case (SOC) development and decision making within TfN.

The current forecast NPR related TAME expenditure of £3.02m for FY19/20 is 26% below the forecast for the year. This is due in part to the delays in the commissioning and contracting of work packages and, therefore, TAME programme commencement. Consequently, the projects have had to flex parts of their scope to ensure critical SOC activities are achieved. Current scope is therefore forecast for completion early FY20/21, and currently the forecast expenditure associated with this in FY20/21 is approximately £750k. This will be funded from the FY20/21 budget.

Whilst maintaining its focus on the delivery of remitted Sequence 4 (SOC) work, the team is actively developing the remits for two further projects that are to commence in FY20/21:

- Sequence 4.1 – reprioritised activity from FY19/20 & network wide activity.
- Pre-Sequence 5 – Procurement requirements for Sequence 5 (Outline Business Case) and identification/specification/delivery of advanced Sequence 5 (OBC) development.

A high-level plan for engagement activity to support the SOC development has been developed, aligned with key decision points and governance dates. The Engagement team is currently planning this in more detail, including production of relevant materials with partners to help set the local context for engagement activities. The plan will be presented at the next working group (26 March 2020) and contact will be made shortly with partners concerning proposed dates.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
Piccadilly Station Options Issue: More work needs to be done to better reflect views raised by local authority partners on proposed station options for Manchester Piccadilly.	Independent review of development work and conclusions to date by Richard George is complete and will be presented at TfN Board on 12.03.20. The review will incorporate the Oakervee review conclusions and the recently published Bechtel report. Following TfN Board endorsement, Piccadilly interfaces will become an input into the wider Phase 2b review.	KPI 1
Stourton Junction Issue: NPR will not get the proposed Stourton junction in the HS2 Phase 2b Hybrid Bill, which means that NPR may struggle to make a positive business case for the junction to go into the Hybrid Bill	TfN continues to work with WYCA (and York, Sheffield City Region and Leeds Chamber of Commerce) in the development/delivery of the LCR vision remit, which includes looking at Stourton and alternatives. An update on Stourton and next steps will be discussed at TfN Board on 12.03.20 and, following endorsement, will become an input into the wider Phase 2b review.	KPI 1

The Northern Infrastructure Fund opportunity included in the Jan MOR has been removed and has been integrated into the TfN Integrated Rail Investment Plan for the North opportunity.

Opportunity Summary	Summary of Actions/Activity
Integrated Rail Plan / High Speed north In conjunction with the publication of the Oakervee Review, the government announced the full commitment in providing better rail connectivity between London and the North, ensuring the passengers of the North of England benefit from opportunities for economic development and prosperity by considering the integration of HS2	Proposed initial statutory advice has been presented at TfN Board on 12.03.2020 for agreement. This will then be issued to Government for consideration. TfN and Partners to continue to seek opportunities to be involved in the scoping and development of the integrated rail plan.

Phase2b and Northern Powerhouse Rail. An opportunity exists for TfN and NPR to influence central government to gain the full commitment and funding in the realisation of the High Speed North.”	
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Programme and look ahead

Consider approach to Piccadilly & Stourton (TfN Board)	Mar 2020
Corridor sifting workshops complete	May 2020
Agree scope and outline of SOC refresh	Jun 2020
Agree shortlist of corridor options to be progressed (Phase 1), Agree the current preference on these corridors, Agree the aggregation of these corridor preferences into the current preferred network, subject to network-wide tests, Note SOC 1 st Partial Draft (TfN Board)	July 2020
Agree shortlist of corridor options to be progressed (Phase 2), Confirm current preferred network, agree current preferred phasing plan	Sep 2020
Note SOC near final draft (TfN Board)	Nov 2020
Agree SOC (TfN Board)	Jan 2021

Integrated and Smart Travel (IST)

Monthly Summary

Development of the Disruption Messaging Tool, carried out as part of Phase 2, has completed and it will go live with Transport for Greater Manchester (TfGM) in the first instance in March. Development of the prototype development phase (alpha phase) of the Fares Tool is on schedule to complete at the end of March.

Discussions have been held with DfT, LTAs (Local Transport Authorities) and the bus companies about the development of local smart ticketing schemes (Phase 4). A governance mechanism is under consideration with DfT and the preparation of a Strategic Outline Case has started. Informal discussions with LTAs continue, pending the development of the formal mechanisms for taking Schemes forward.

Work continues to roll-out flexi-seasons on a trial basis (Phase 1). TfN is escalating concerns about the delay in agreeing hardware plans with Northern and MerseyRail and their suppliers for the installation of platform validators, with the impact of Covid-19 related delays both on the delivery of equipment and the roll-out currently being assessed.

Overall, delays to Phase 1, and lower than forecast Phase 3-4 development expenditure, has contributed to a programme wide underspend of £0.81m in February.

Activity Update

Phase 1 – Meetings are to take place with Northern and MerseyRail and their Platform Validators (PVals) hardware suppliers to challenge the implementation plans which were received at the end of February. MerseyRail civil work is progressing to schedule. Northern hardware, coming from China, is reported as delayed. Northern’s franchise transfer is not currently impacting the project.

Phase 2 – Rollout of the Disruption Messaging Tool (DMT) is underway and the roll out of the Open Data Hub (ODH) remains scheduled for March. TfGM has signed its user agreement and progress with WYCA, MerseyTravel and Nexus is on schedule. The ‘readiness to go live’ review has been successfully completed. Developers who are to use the disruptions data in their apps have been readied to start testing the data when the ODH goes live. Additional development of the DMT required by LTAs for social media capability has been agreed with the supplier. The prototype Fares solution is on schedule to complete at the end of March, the revised date reported last month, but the plan has been re-sequenced to accommodate a three-week delay of the Government Digital Services framework compliance assessment, required for the tools to be novated to DfT.

Phases 3 and 4 – Closure of Phase 3 (Account Based Back Office Ticketing, aka ABBOT) – is progressing with an initial ‘lessons learned’ workshop completed. The revised Phase 3 (Contactless Pay As You Go on Rail) remains substantially on hold until the release of the Williams Review. However, engagement continues with Rail Delivery Group and Northern Train Operating Companies.

In relation to Phase 4 (Supporting local smart ticketing schemes), consultation with the TfN Executive Board and LTA colleagues has provided direction that LTAs want to work collaboratively and move quickly. Discussions continue with LTAs to develop a shared understanding of potential schemes for discussion at a workshop in March. Confirmation of the retention of funding for the North is still to be confirmed. TfN is engaging with large bus operators who are collaborating on a national project to bring forward their commitment for multi-operator ticketing on buses. TfN has asked to be represented on the Project Board.

The issues set out above, in particular the delays on Phase 1, mean that the programme had incurred costs of c. £9.01m of the full-year, and is forecast to fall short of the full year Revision 2 budget of £14.70m by c.£3.56m.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>Phase 1 – Platform Validators (PVals) Supplier Delivery Timescales Issue: The current plan from Northern’s and MerseyRail’s suppliers indicates an installation completion date beyond August 2020. This is later than the finish date provided to TfN by the Train Operating companies. This has delayed the project end date and for Northern completion of Flexi-Seasons roll out.</p>	<p>Despite mitigations, plans have not been agreed with Northern and MerseyRail. The issue has been escalated and senior managers will be meeting the Train Operating Companies and their respective suppliers to understand and challenge plans that were submitted at the end of February.</p>	<p>KPI 7</p>
<p>Phase 2 – Fares Data Build Tool: Risk: we are seeking a deeper understanding of DfT acceptance criteria in order that the product can be novated to them</p>	<p>To complete a Gate 0 Review with DfT to reconfirm budget and scope for submission to Programme Board in April.</p>	<p>KPI 8</p>
<p>Phase 3 – Timing and Funding Risk: The roll-out plan for Contactless on Rail may mean that northern Train Operating Companies are not Account Based Ticketing pathfinders. This would result in TfN’s milestones for the delivery of strategic objectives not being met.</p>	<p>To continue to take steps to understand funding and delivery pace as well as working with DfT and HMT to agree TfN’s role in bringing Account Based Ticketing forward as a pathfinder.</p>	<p>KPI 9</p>
<p>Phase 4 Funding Risk: TfN is in the process of developing the arrangements for funding for Phase 4 that will need to be agreed with DfT – there is therefore a risk that what is agreed does not match the aspirations of TfN.</p>	<p>To continue to work with DfT to explore potential options to secure and manage funding and work with the LTAs to understand current schemes which can be supported through IST funding.</p>	<p>KPI 9</p>

Programme and look ahead

Phase 1

- Northern and MerseyRail to agree remaining PVal deployment plans (i.e. physical location of PVals) with suppliers and TfN.
- TransPennine Express completion of StarMobile (on board retailing and validation) is delayed because a significant technical error was found in testing.

Northern are to validate the feasibility of installing PVALs at their proposed locations

Phase 2

- DMT and ODH functionality for planned disruptions to “go-live” for TfGM, WYCA, MerseyTravel.
- Review to test if the business case is still valid around the fares tool.

Phases 3 and 4

- Phase 3 awaiting outcome of Williams Review before progress is made.
- Phase 4 workshop with LTAs to discuss potential schemes.

Strategic Development Corridors (SDCs)

Monthly Summary

This month’s work on the Strategic Development Corridors has focused on consolidation of the work done to date, ensuring that our Partners understand and support the work completed so far.

Budget forecasts for the month recognised the assumed start date for the Quantitative element of the programme (Phase 2B). This activity has now been moved into the new financial year resulting in underspends against budget.

Activity Update

During February we have:

- Met with 30 representatives covering the North’s local authorities, Highways England and Network Rail to discuss the initial sequencing of 230 schemes in the investment programme, using the agreed qualitative methodology. This will assess when schemes could realistically be delivered within three time periods; 2020-27, 2027-33 and 2033-2050.
- TfN and local authorities have agreed the Future Scenarios development report as an accurate record of workshops held with Partners to develop a set of qualitative Future Scenarios.

Current challenges:

- Continue to mitigate critical risks to allow the procurement of the quantitative sequencing commission to start Spring/Summer 2020.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>Partners Input Risk: Partners are slow to respond to requests for feedback on reports. Partners may not brief senior officers and Members. This could lead to partners not endorsing the three programmes we have developed for SDC2a, which would prolong the SDC2 programme, resulting in financial and reputational challenges.</p>	<p>To outline Partner requirements and a forward look at each Strategic Oversight Group meeting. To circulate a high-level programme highlighting feedback dates. Clearly outline impacts of any delays to the programme.</p>	<p>KPI 15</p>

<p>Uncertainty of Reference Case Modelling Due to Long-awaited Government Announcements</p> <p>Risk: TfN is waiting for a number of government announcements that may influence our assumptions for TfN's reference case. The modelling and appraisal work that the TAME team is completing may need to be reworked so it is not outdated, causing further delays and costs as well as reputational risks if not properly represented in the modelling work.</p>	<p>Review the reference case at the beginning of the SDC2b programme, when majority of government announcements have been made.</p> <p>Review the definition of TfN's reference case with Partners at the beginning of quantitative commission.</p> <p>Include scope to review the reference case, if the risk materialises.</p> <p>Hold a risk workshop after government announcements to understand the impacts of this risk further and agree on a way forward.</p> <p>Continue to emphasise to Government the significant impacts of its decisions on the TfN Investment Programme.</p>	<p>KPI 10/ 12</p>
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Programme and look ahead

- The team are developing the methodology to test the future scenarios developed with Partners, using TfN's Analytical Framework. The work will be published in Summer 2020.

Strategic Rail

Monthly Summary

On Sunday 1 March the Northern Franchise was passed into public control for an interim period under the Department for Transport (DfT) by means of DfT's Operator of Last Resort Holdings Ltd (DOHL). The existing Partnership Agreement with TfN will continue and a new Services Agreement between the Department and the operator will be managed by the Rail North Partnership.

Although both TPE and Northern have stabilised performance from their specific problems in December, performance in February was impacted by extreme weather conditions. TfN has set a public performance improvement target for TPE with an initial assessment to be made at the end of March.

TfN continues to work closely with DfT and Network Rail on investment plans across the North of England including schemes to address congestion hotspots in Central Manchester and at Leeds.

Activity Update

The Board has agreed a series of recommendations to progress the development of infrastructure enhancements in the Manchester area. This has been provided to the Secretary of State for Transport in the form of Statutory Advice and the Strategic Rail team is engaging with the industry on their work on short- and long-term actions to ease congestion in Manchester.

TfN is awaiting a response from the DfT to its letter setting out a number of Transpennine Route Upgrade challenges for consideration ahead of a refreshed Outline Business Case (OBC) planned for March/April. TfN understands that, given the many environmental and operational benefits, electrification in full between Manchester and York is being reconsidered as part of the OBC.

The team is also working on strengthening the business case for journey time improvements across the North by reducing the cost of development and delivery of such projects. TfN is seeking funding for Network Rail to undertake a study on five routes. This will identify what is required to increase line speed on each route in the most cost-effective way

In addition, the team has assisted partners to achieve positive progress on the Northumberland Line and Middlesbrough Station capacity. We have also helped bring the Leeds Station capacity programme to the next stage in its development.

A revised Blake Jones action plan was deferred until the next meeting at Rail North Committee on 12 March and the team continues to liaise with DfT regarding funding for the additional resources that are required.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>Underperformance of Franchisees Issue: There is a continued underperformance of the rail franchises, particularly around performance and delivery of committed enhancements to services.</p>	<ol style="list-style-type: none"> 1. The Northern franchise has been terminated and will be moved to the Operator of Last Resort from 1 March. TfN will have a role in overseeing this through the Rail North Partnership. 2. There is close monitoring of TPE continues including appropriate contractual action through their franchise agreement. 3. In addition, there is continued close monitoring of operators, including provision of additional resources to the Rail North Partnership. Further the public measures of performances are reported through Rail North Committee. 	<p>KPI 4</p>

TfN TRU Statutory Advice

Risk: There is a risk that TfN's statutory advice issued in September 2018 will not be reflected in the TRU Outline Business Case due to be appraised in Spring 2020. Moreover, whatever is proposed for TRU needs to form part of a broader coherent rail investment strategy for the North. Currently decisions on TRU are being taken in isolation and require to be part of a wider investment plan that supports capacity and reliability.

1. The Strategic Rail team and Rail North Partnership continue to work together to support Network Rail in producing an investment plan that meets passengers' needs and expectations.
2. TfN continues to stress to DfT and Network Rail the importance of increasing the number of freight paths on the route. However, the current scheme only remits for maintaining the current level of freight paths.

KPI 5

Programme and look ahead

- Support and monitor the industry response to the Coronavirus outbreak.
- TfN will continue preparations for the 'Williams Review' white paper publication. A short report outlining the principles which should underpin our full response has been prepared for use in TfN's response.
- Provide challenges to, and support for, the TRU outline business case and continue to monitor industry plans to minimise the disruption from the first-phase of construction.
- Working through the Rail North Committee, respond to industry proposals for mitigating cross-Manchester performance issues.
- Implementation of the Blake Jones Action Plan.
- Work through the new arrangements for the Northern franchise to ensure the best passenger outcomes are delivered.
- Continue to support Durham County Council on the opening of the new Horden station later this year.

Operations Summary

Monthly Introduction

TfN's operational teams have continued to support programmes while working to ensure compliance with TfN's statutory obligations.

Operational focus for February included preparation of the 2020/21 budget for TfN Board in March (Finance), major tender exercises for several aspects of NPR (Procurement), progress on the implementation of Modern.Gov governance and meeting management software (Legal), technical update of the Northern Powerhouse Independent Economic Review (Economics), ongoing procurement of Project, Programme and Portfolio System software (Portfolio), and delivery of the Analytical Framework (TAME)

Activity Update

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

Major Roads

- TfN is receiving from its supplier the final package of Major Road Network data including travel times, delay times and origin-destination. This will provide TfN and its partners with evidence to support business cases for investment.
- The Major Roads Report has been updated following comments from our Partners. This report will go to the Strategic Oversight Group, 19 March 2020 for approval and will be updated Spring 2021.

Stakeholder Engagement & Communications

- The Stakeholder Engagement and Communications team has worked on internal and external messaging regarding several key Government announcements, including the future of HS2 and Integrated Rail Plan, in addition to the takeover of the Northern franchise by the Operator of Last Resort and setting of a public target for TransPennine Express.
- The team have proactively promoted the awarding of additional road funding in the North and participated in the launch of the DfT's Bus Open Data digital service.

Finance

- Final budget preparation has been made in readiness for the submission of the 2020/21 Budget to TfN Board on the 12 March.
- The draft 2020/21 Budget was received and reviewed by the Scrutiny Committee on the 13 February.
- The 2019/20 Accounting Policies and draft 2020/21 Treasury Management Strategy were reviewed by the Audit & Governance Committee.
- Indicative agreement has been reached with the DfT around funding of the proposed initial IST Phase 3 and Phase 4 business case development activity.
- Testing has commenced on the system changes required to implement e-commissioning.

Procurement

- Two major tender exercises, covering NPR requirements for PMO & Commercial functions and Infrastructure Development Support, have been released to the market with expected contract start dates in April 2020.
- Meetings with stakeholders have been held to ensure 2020 / 2021 expenditure and procurement profiles are correct.
- Weekly meetings are being held with TAME to help support project delivery.
- New IT equipment is due to arrive in the next 3/4 weeks, dependent upon Coronavirus related disruption to HP production and shipment timetables.

Legal & Democratic Service

- The installation and implementation of modern.gov (a software system that will streamline our governance and meeting management arrangements and which is used by a number of constituent authorities) is in the planning phase. A detailed project plan is being created, and relevant details will be shared with partners once completed.

Strategy & Policy

- Development of the Northern Transport Charter has continued at pace. In February, we held a Members Working Group and a separate workshop with the TfN Executive Board to present initial thinking on a devolved Northern budget and what would be an appropriate decision making and governance model to support further devolution. Following these discussions, we have prepared a paper and a number of supporting appendices which will be presented to Board on 12 March (KPI 19).
- A paper will be presented to the March Board setting out our work on decarbonisation including the proposed work programme of activity throughout FY20/21 (KPI 19).
- Following the Government's announcements on 11 February regarding HS2, we have developed an initial response to the proposal for an Integrated Rail Plan for the Midlands and the North (High Speed North) for members to consider at the March Board meeting.
- Internal review of the draft Assurance Framework is under way and it will be presented to the Board in April for approval (KPI 18).

Economics & Research

- The technical update of the Northern Powerhouse Independent Economic Review (NPIER) has been completed and the final report will now be presented at the TfN Partnership Board in April. The revised projections will inform both the TfN Investment Programme and the revised Northern Powerhouse Rail business case due at the end of 2020 (KPI 10).

Portfolio Office

- The Portfolio Office continue work on the PPPMS (KPI 22). The previous approach to the Metadata project is being re-thought in line with the evolving approach within the Portfolio Office. Procurement of the Risk Management software is underway following tender submissions in February. The delay to the PPPMS in general is reflected under KPI22 in the KPI section of this report.

TAME (Technical Assurance, Modelling and Economics)

- The Rail Modelling & Appraisal Partner (RMAP) contract has been focused on the assurance of new modelling tools and specification for the NPR tests to inform partner sift workshops programmed for May 2020. Extra

work packages have begun to de-risk the 20/21 work programme. This has resulted in a significant reduction of the underspend to £290k.

- Analytical Framework delivery is consistent with the revised programme and continues to be managed using a phased approach, introducing incrementally improved model versions at appropriate points in the NPR programme. Residual risks remain, as set out in KPI10.
- The NPR Liverpool-Manchester modelling of corridor sift options is complete and work has commenced on analysis of the benefits in the Manchester-Leeds corridor.
- Work that was due to start on the Phase 2B 'Quantitative' element of the Strategic Development Corridors has now been moved into the new financial year.

Financial Performance

Financial Update

Summary

Expenditure incurred in February: £4.36m

Variance to February's monthly budget: £0.76m underspend

Cumulative expenditure year to-date: £39.81m

Cumulative variance to Revision 2 budget: £6.91m underspend

Headline

- Organisation wide underspend in January against the Revision 2 budget adopted in October of £0.76m (15%), bringing cumulative underspend against Revision 2 to £6.91m (15%)

Programmes:

- 93% of the organisation's total variance is driven by the major programmes (£0.71m)

Integrated & Smart Ticketing:

- Programme wide underspend of £0.81m (64%) in the month

Phase 1

- The ITSO on Rail scheme continues to report underspend, with an in-month shortfall of £0.27m (£0.59m in October, £0.62m in November, £0.48m December, £0.74m January).
- Underspend in month principally relates to a correction of previously reported MerseyTravel expenditure (£0.25m).
- Train operator company contracting -delays to which had impacted on prior months - is now complete, with MerseyTravel and Northern now entering into civils work for the installation of platform validators.
- Revisions to delivery plans suggest that First will now complete in March, with Northern and MerseyRail completing in August/September. Draft 2020/21 budgets have been adjusted.

Phase 2

- The Phase 2 scheme is marginally over budget (£0.09m) reflecting a number of contract variations agreed at Programme Board that were not foreseen in October.

Phase 3

- The Phase 3 project is underspent against budget by £0.25m. This reflects previously reported issues, notably the deferment of development activity for the proposed Smart on Rail and Local projects.

Programme Support

- The programme support budget reflects the cessation and correction of prior recharges into the programme. This reflects the materially reduced level of effort required following the removal of Phase 3 delivery activity.

Northern Powerhouse Rail

- The NPR programme incurred expenditure above budget by £0.23m (8%):
 - This reflects an overspend for the month on the Network Rail contract by £0.32m, largely due to the catch up of prior month underspends.
 - This is offset by underspends of £0.09m on delayed TAME commissions and £0.04m on Communications activity related to forecast consultation work

Strategic Development Corridors

- There was an underspend for the month of £0.13m, largely reflecting the slippage of the SDC Quantitative workstream into the new financial year (£0.08m) and savings associated with forecast Major Route Network activity that has now been removed (£0.03m).

Operations:

Strategy & Policy

- There were notable underspends that will repeat in March relating to Economic Appraisal commissions (£0.07m), principally around the User Insight Commission (£0.03m) and Independent Economic Review (£0.02m).
- The Modelling team underspend stands at £0.10m for the month, largely due to a delayed commission for NoRMS modelling that will now slip into the new financial year.

Business Capabilities

- The deferment of the TfN Annual Conference to the new financial year has contributed to Communication team underspend in month of £0.07m.
- Coronavirus quarantine issues have led to delays in the delivery of the new ICT hardware associated with the laptop refresh exercise. This has contributed to an ICT team underspend of £0.03m.
- A pause issued on the Rail Review work on TfN organisational development, following government's announcement on High Speed North, contributed to a HR underspend of £0.02m

Key Challenges

- Underspend accrued through the year from slipped activity will now likely fall into the new financial year
- Budget forecasts for the new financial year have been amended to accommodate this slipped activity with resource carried over.
- However, NPR's TDF funding stream is limited to the financial year within which it is allocated so financial commitments entered into in 2019/20 place a first call on the new year's funding allocation.

Activity Dashboard

TRANSPORT FOR THE NORTH FINANCE DASHBOARD				PERIOD BUDGET CYCLE	11 REVISION 2	FEBRUARY 2019/20		
PERIOD ACTUALS VERSUS BUDGET								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£0.45	£1.26	£0.81	64%				
Northern Powerhouse Rail	£3.03	£2.80	£-0.23	-8%				
Major Roads	£0.11	£0.24	£0.13	54%				
Programmes	£3.59	£4.29	£0.71	16%				
Rail Operations	£0.14	£0.17	£0.02	14%				
Operational Areas	£0.63	£0.66	£0.03	4%				
	£4.36	£5.12	£0.76	15%				
PERIOD ACTUALS VERSUS BUDGET: PROGRAMMES								
	Actuals £m	Budget £m	Var. £m	Var. %				
IST: Phase 1	£0.33	£0.59	£0.27	45%				
IST: Phase 2	£0.17	£0.08	£-0.09	-105%				
IST: Phase 3	£0.08	£0.33	£0.25	75%				
IST: Programme	£-0.13	£0.25	£0.38	153%				
Northern Powerhouse Rail	£3.03	£2.80	£-0.23	-8%				
Major Roads	£0.11	£0.24	£0.13	54%				
	£3.59	£4.29	£0.71	16%				
YEAR TO-DATE ACTUALS VERSUS BUDGET REVISION 2								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£9.01	£13.12	£4.11	31%				
Northern Powerhouse Rail	£23.01	£25.07	£2.06	8%				
Major Roads	£1.40	£1.66	£0.25	15%				
Programmes	£33.43	£39.85	£6.43	16%				
Rail Operations	£1.70	£1.75	£0.05	3%				
Operational Areas	£4.68	£5.11	£0.43	8%				
	£39.81	£46.71	£6.91	15%				
YEAR TO-DATE ACTUALS VERSUS FORECAST TO OUTTURN								
	Actuals £m	F/cast £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£9.01	£10.71	£1.70	16%				
Northern Powerhouse Rail	£23.01	£27.73	£4.72	17%				
Major Roads	£1.40	£1.51	£0.11	7%				
Programmes	£33.43	£39.95	£6.52	16%				
Rail Operations	£1.70	£1.92	£0.22	11%				
Operational Areas	£4.68	£6.01	£1.33	22%				
	£39.81	£47.88	£8.07	17%				
FORECAST TO OUTTURN VERSUS BUDGET REVISION 2								
	F/cast £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£10.71	£14.06	£3.35	24%				
Northern Powerhouse Rail	£27.73	£28.88	£1.15	4%				
Major Roads	£1.51	£1.86	£0.35	19%				
Programmes	£39.95	£44.79	£4.84	11%				
Rail Operations	£1.92	£2.00	£0.08	4%				
Operational Areas	£6.01	£6.06	£0.05	1%				
	£47.88	£52.85	£4.97	9%				
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	£22.14	£24.19	£2.06	9%	£22.14	£26.78	£4.64	17%
IST - Capital and Revenue	£9.01	£13.12	£4.11	31%	£9.01	£10.71	£1.70	16%
Core Grant	£7.54	£8.35	£0.82	10%	£7.54	£9.16	£1.63	18%
Rail North Grant & Contributions	£1.08	£1.08	£0.01	1%	£1.08	£1.18	£0.10	9%
TDF - Roads	£0.01	£0.01	£0.00	0%	£0.01	£0.01	£0.00	0%
Trading Income	£0.03	£0.02	£-0.01	-62%	£0.03	£0.05	£0.01	-
	£39.81	£46.78	£6.98	15%	£39.81	£47.88	£8.07	17%

HR Update

Human Resources Update

Salaried Establishment as at **28 February 2020**

Established/ Transition Posts

Area	Established Posts (Over 2 years)	Transition Posts (Up to 2 Years)	Total
CEO/Chair	2 (1.17 FTE)	-	2 (1.17 FTE)
Support Services	28 (27.12 FTE)	5 (5.00 FTE)	33 (32.12 FTE)
Operational & Delivery	86 (85.32 FTE)	26 (26.00 FTE)	112 (111.32 FTE)
Total Establishment	116 (113.61 FTE)	31 (31.00 FTE)	147 (144.61 FTE)
Strength (in post)	104 (103.29 FTE)	26 (26.00 FTE)	130 (129.29 FTE)
Appointed (start date pending)	3 (3.00 FTE)	2 (2.00 FTE)	5 (5.00 FTE)
Active/Pending Recruitment	9 (7.32 FTE)	3 (3.00 FTE)	12 (10.32 FTE)

Agency Resource - Covering Vacant Posts

Area	Posts (FTE's)
Support Services	4 Post (3.12 FTE)
Operational & Delivery	2 Posts (2.00 FTE)
Total	6 Posts (5.12 FTE)

Consultancy Resource - Covering Vacant Posts

Area	Posts (FTE's)
Support Services	0 Post (0.00 FTE)
Operational & Delivery	1 Posts (1.00 FTE)
Total	1 Posts (1.00 FTE)

HR Metrics – 2019/20 Year-to-Date


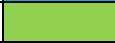



Corporate Sickness Level:	1.6%
Employment Policy Application:	3.2%
Employee Turnover (Voluntary Leavers):	10.6%
% of Employees from an Ethnic Minority Background:	10%
% of Employees declaring a Disability:	10%
Gender Mix - % of Female Employees:	39%
% of Male Employees:	61%






KPIs

Key Performance Indicators

Transport for the North's Key Performance Indicators (KPIs) are outlined in the published Business Plan for 2019-20. The below table outlines the programme and organisational KPIs and provides a monthly progress update and risk status.

Key

Achieved	
On Track	
In Progress	
Delay	
Delay – beyond this year end (BTYE)	

Area	KPI	Detail	Progress	Rag Status
Northern Powerhouse Rail	1	Fully agree NPR provision within the HS2 Phase 2b Hybrid Bill by June 2019.	Delay	
			This item will now feed into the High Speed North review being undertaken by Government with input from TfN.	
Northern Powerhouse Rail	2	Agree indicative delivery phasing for the NPR network by February 2020. NB. TfN Board Meeting is now scheduled for 12th March	On Track	
			NPR approach to phasing, and agreement to the principles by which the evidence base on phasing of NPR interventions will be developed, is to be taken to the TfN Board on 12.03.20.	
Northern Powerhouse Rail	3	Prepare a mid-way point NPR progress report for Board by February 2020.	Achieved	
			A progress report was presented and discussed at TfN Board 08 January 2020.	
Strategic Rail	4	Hold the industry to account for the delivery of Franchise commitments and the recovery of acceptable levels of performance.	In Progress	
			Work is continuing to use all possible levers to improve performance. Train operator progress is being impeded by delayed driver training and new trains programmes. Northern and TPE will continue to be held to account by the Rail North Committee.	
Strategic Rail	5	Publish the Long-Term Rail Strategy (LTRS) by July 2019 and begin delivery of the LTRS including input to the Trans-Pennine Route Upgrade.	Achieved	
			The LTRS principles were integrated into the STP when this was published in February 2019. Instead of publishing an updated LTRS, resources were re-allocated to operational issues and to develop Delivery Plans. Input / advice in	

			relation to TRU has been submitted through communications with Ministers and at a local level.
Strategic Rail	6	Input TfN view to the Williams Review. Follow up to implement the recommendations on the Joint Rail North Partnership review.	<p>In Progress</p> <p>Input to Williams Review complete. A plan for the implementation of Blake – Jones review recommendations has been prepared, initial work has started, and discussions are underway with the Department regarding the funding for the required resources for full implementation.</p>
Integrated and Smart Travel	7	Complete the delivery of the integrated smart ticketing on Rail programme (Phase 1) by September 2019.	<p>Delay BTYE</p> <p>Delay by Northern and Merseyrail executing contracts for platform validators has delayed this activity. The current target completion date is August 2020.</p>
Integrated and Smart Travel	8	Deliver Phase 2 – ‘informed customers’ - of the IST programme by December 2019.	<p>Delay</p> <p>The most significant elements – the disruption messaging tool and open data hub live releases have been delivered with rollout due to start in March 2020. The third element (fares tool), was due to go live in September 2020 but is now planned for December 2020.</p>
Integrated and Smart Travel	9	Complete the procurement of the Phase 3 ABBOT back office by December 2019.	<p>Delay BTYE</p> <p>Following the decision of TfN Board in January, the delivery approach for account based travel (ABT) has been reevaluated and the original ABBOT procurement has been cancelled. A revised approach, focused on delivering a back office ABT solution for rail initially is currently being discussed with the department, with a further phase of work planned to support the delivery of local schemes.</p>
Modelling & Analysis	10	Develop analysis and modelling capability so that we can accurately represent the economic ambition of the North in our business case submissions by March 2020.	<p>Delay BTYE</p> <p>Current delays experienced with regard to the Analytical Framework have delayed the overall programme until the end of April. The programme encompasses significant areas of innovation and is therefore subject to close monitoring.</p>
Modelling & Analysis	11	Consolidation / Quality Assurance of Analytical Framework by March 2020.	<p>Delay BTYE</p> <p>There is a delay to quality assurance activity that is a consequence of the delay to the overall delivery of the Analytical Framework. The project has significant elements of innovation and requires close involvement with DfT and external reviewers throughout development activities.</p>

Major Roads	12	Input to three strategic road studies by March 2020.	On Track	
			TfN attend Stakeholder Reference Group meetings for Manchester North West Quadrant (MNWQ) and A66. For the TransPennine Tunnel and M6-A1(M) projects, TfN is represented on project board. All projects are due to report to the Investments, Programmes and Delivery Committee (IPDC) (formerly known as BICC) in Spring 2020.	
Major Roads	13	Act as an advocate for northern investment and critical friend on RIS2 by November 2019.	Achieved	
			TfN has shared its Investment Programme with Highways England and DfT to inform the RIS2 programme. The RIS2 announcement is expected in March 2020.	
Major Roads	14	Working with partners, submit priorities for investment through the National Roads Fund by Summer 2019.	Achieved	
			TfN worked with partners to submit 16 Major Road Network and Large Local Major schemes for funding from the National Roads fund, as was agreed by TfN Partnership Board on 31 July 2019.	
Strategic Development	15	Complete the Strategic Development Corridor studies, to at least Option Assessment stage, by September 2019. Monitor and refresh the TfN Investment Programme by February 2020.	Delay	
			Strategic Programme Outline Cases (SPOCs) have been completed for all of the SDCs. The SDC SPOCs for East Coast and West Coast – Sheffield City Region, and the updated TfN Passenger Rail SPOC will be published in February. Work is underway on SDC Phase 2 to sequence and profile the Investment Programme. A qualitative sequencing exercise is due to complete in Spring 2020. The quantitative analysis is being prepared for procurement and results will be reported in Summer 2020.	
Strategic Development	16	Develop an Inclusive and Sustainable Growth Framework that will sit alongside the Strategic Transport Plan by February 2020.	Delay BTYE	
			This has been included as one of four ambitions that form part of the Northern Transport Charter that is under development. Significant work has also been undertaken on decarbonisation to provide a framework for activity, with a technical pathway, due for completion in December 2020.	
	17		Achieved	

Strategic Development		Prepare Freight and Logistics and International Connectivity Progress Reports that will reflect how these important areas have been embedded in the TfN Investment Programme and work programmes by July 2019.	Freight and logistics has been embedded alongside the International Connectivity work within TfN's work programme and the outputs have been published. The approach to freight is being developed in light of the discussion at the September 2019 TfN Board. This work continues.
Strategic Development	18	Develop and adapt an Assurance Framework to inform the development of the Investment Programme by February 2020.	Delay TfN has developed a draft Assurance Framework. The Assurance Framework will be presented to the Partnership Board in April 2020 having been taken to Scrutiny Committee in December.
Organisational	19	Develop a 5-year corporate strategic plan / develop a spending review submission by September 2019.	Achieved As was presented to the TfN Board in September 2019, the intended corporate planning activity has been superseded by the work on the Northern Transport Charter (NTC). NTC principles were agreed at September Board to allow business planning process to take place. Further detailed work on the NTC continues with completion expected in June 2020. A spending review submission was prepared but there was no spending review in 2019.
Major Roads	20	Building on the published STP, the Major Roads Report will be updated in February 2020. Board Meeting is now schedule for 12th March.	Delay BTYE TfN is working on the update to the Major Roads Report and it will be submitted to the TfN Board for approval in Spring 2021.
Rail Fares	21	A Long-Term Fares Strategy, identifying short-term opportunities to provide enhancement of the current franchises and providing a long-term plan for the next round of franchises, will be published by June 2019.	In Progress The fares delivery plan was presented to and endorsed by the TfN Board in January. It was agreed that further work through pilot studies should now be undertaken to provide the necessary evidence to support recommendations within the delivery plan. Opportunities for fares pilots will now need to be explored through the Operator of Last Report (OLR).
PMO	22	A Portfolio, Programme and Project Management System (PPPMS), including a formal assurance framework, will be implemented by December 2019.	Delay PPPMS tools are currently being procured. These were originally scheduled to be delivered in December 2019 and some elements may be delayed beyond the end of the financial year.



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