

Transport for the North Monthly Operating Report May 2020



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Introduction

Summary from the Chief Executive

In common with many organisations in the UK at this point in time, TfN continued to work remotely throughout May in line with government recommendations around COVID-19. The impact of COVID-19 on TfN programmes continues to be closely monitored. Remote working is proving productive, though not ideal in every circumstance.

The Strategic Rail team remain focused on COVID-19 related work and recovery planning. There continues to be strong joint working between TfN, DfT, the Rail North Partnership and the train companies working through the North of England Contingency Group. Work also continues with Network Rail and the DfT around investment plans across the North, including schemes to address congestion hotspots in Central Manchester (including through the Manchester Recovery Task Force) and at Leeds.

The TfN response to the National Infrastructure Commission (NIC) call for evidence on the Integrated Rail Plan was submitted at the end of May. The focus of the IRP work will now shift to the development of more specific phasing proposals, with a view to briefing the TfN Board at the end of July. How the DfT intends involving TfN in reaching conclusions on the IRP process remains unclear.

The NPR team continue to focus on preparation for the corridor sift process. The programme to Strategic Outline Case submission in March 2021 remains under review, as business case and cost estimating work continues to mature.

The Integrated and Smart Travel (IST) team, continues to be impacted by COVID-19. Train Operating Companies (TOCs) have put plans in place for onsite works to be implemented once lockdown restrictions will allow them to resume civils work to install platform validators, but social distancing and travel restrictions are still expected to impact the work.

Work on the economic recovery plan has continued with an initial letter highlighting the approach being taken with examples of quick wins planned to be sent to DfT in June, after the TfN Board meeting. A longer list of proposed projects will be taken to the July Board.

Northern Powerhouse Rail (NPR)

Monthly Summary

Focus remains on confirming sifting dates and subsequent decisions required at TfN Boards in this financial year (FY). However, the NPR team has continued to ensure momentum in developing the scheme is maintained at pace, supporting transition from Strategic Outline Case (SOC) into Outline Business Case (OBC) development.

Confirmation of dates for key information from Network Rail (NR) to support sifting and decision-making have been confirmed in the month

Modelling and benefits enhancement activity continued in the month, which is a key activity in determining sift dates across the network.

Finally, following discussions between TfN and DfT, we have received full funding approvals for c.£40m of activity to agree a preferred network and phasing strategy for NPR ahead of submitting a refreshed SOC next Spring. In addition, approval for a further £6m to undertake Pre-Sequence 5 activity (preparatory work for the OBCs that will be required once the SOC has been approved) has been received, subject to a review that is currently being undertaken by TfN and the DfT.

Activity Update

Transport Analysis, Modelling and Economics (TAME)

Delivery of Benefit-Cost Ratios (BCRs) in the timescales required to support sifting and decision-making remains challenging. Mott MacDonald has been commissioned to work within TAME to support the team in model development and appraisal and work is currently underway to confirm when modelling outputs, inc. BCRs, will be available for sifting and to support decision-making at TfN Board.

Draft Level 3 (Transformational) outputs for the Liverpool-Manchester corridor have been produced in the month and the remaining five corridors are expected to have Level 3 benefits produced in June.

Infrastructure

Delivery of infrastructure outputs required at sift remain achievable in-line with the rephased programme, which was endorsed at NPR Programme Board 16 April 2020 and briefed to TfN Board 29 April 2020. However, and in relation to delivery to achieve sift, agreement has been reached with Network Rail (NR) to share cost information at the point they are approved at Regional Panel, the first NR assurance forum. This is important to allow enough time for co-clients to review and challenge ahead of sifting and for TAME to include the emerging costs into required model runs for sift. The NR NPR delivery team will still be required to take cost estimates through to National Panel, the second and final NR assurance forum, before NR will support their use at sifting and for wider decision-making.

Wider activity to support Strategic Outline Case (SOC) delivery (Sequence 4.1) and readiness for commencement of Outline Business Case (OBC) (Pre-Sequence 5) also have progressed as planned.

NR has continued to mobilise its enhanced Engineering and Programme Management Office (PMO) to support delivery of co-client requirements within the FY.

Business Case

The SOC team shared a draft version of the Management Case with partners (specifically working group officers) for comment on the 14 May 2020 and developed the approach for NPR’s future business case development, approved through Programme Board on 15 May 2020. Additionally, comments from Partners on the Strategic Alternatives report have been captured and the report amended in the month to reflect these where possible.

Team Structure

Atkins and Mace have been awarded contracts for the Infrastructure Development Partner (IDP) and Programme Support Office (PSO) respectively. These contracts allow the NPR team to expand in-year to respond to the delivery demands and challenges faced. Further, the contracts enhance the NPR team’s capacity to adequately plan ahead for future years and establish a solid foundation now to transition from SOC to OBC development.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>NPR SOC Delivery - Risk: To support SOC submission and approval by TFN Board, TfN must secure Partner endorsement of a maximum of four (4) phasing scenarios for the SOC, agreement to sifting outputs and collective agreement to a preferred network. There is a risk that the outcome of Integrated Rail Plan (IRP) could impact the SOC as well as the next stage of the NPR programme sequence of delivery and in particular Outline Business Case (OBC).</p> <p>Impact: If these agreements cannot be reached, it is likely to cause a delay in finalising the SOC and achieving endorsement by TfN Board. Also, the outcome of the IRP may influence the Northern Powerhouse Rail programme, the next sequence of delivery and the OBC.</p>	<ol style="list-style-type: none"> 1. NPR are continuing to confirm sift dates, to support in the refinement of options at SOC. This action also supports developing the preferred network. 2. The programme team continues to work on the development of the phasing criteria set out in the Management Case. 3. TfN has set up a working group to develop its response to the IRP and to ensure that it is effectively communicated to Members, Partners, stakeholders and government, and that interfaces and interdependencies between IRP and NPR (including SOC) are closely managed. 	<p>2</p>

Programme and look ahead

Sift dates are to be confirmed following the completion of key modelling activity and cost assurance activity.

TfN Board	Recommendations
29 Jul 20	Agree scope and outline of SOC refresh.
17 Sep 20	Agree shortlist of corridor options to be progressed (Phase 1), the current preference on these corridors, the aggregation of these corridor preferences into the current preferred network, subject to network-wide tests. Note SOC 1 st Partial Draft.
18 Nov 20	Agree shortlist of corridor options on any remaining corridors (Phase 2), current preferred phasing plan. Confirm current preferred network. Note SOC 2 nd Partial Draft.
14 Jan 21	Note SOC Near Final Draft. Advise on essential changes to support approval.
10 Mar 21	Agree SOC, submission of SOC to government, Statutory Advice, comms strategy and handling.

Integrated and Smart Travel (IST)

Monthly Summary

Usage of our Disruption Messaging (DMT) and Open Data Hub (ODH) tools continues to increase. They are now being used by three Combined Authorities on a regular basis with a fourth to go live in early June. . An increasing number of private sector public transport information service providers are showing interest in being able to publish disruption information to customers using the tools with two (Moovit and Bus Times) already doing so. In relation to our 'smart on rail' work, the past month has seen the resumption of enabling works related to the installation of Platform validators (PVals), and the live testing of flexi-seasons. A Strategic Outline Case (SOC) for a series of local smart travel projects has been submitted to DfT for consideration at Investments Projects and Delivery Committee (IPDC) on 29 June. Our proposal to begin the development of contactless ticketing on rail in the North ahead of the Williams Review is being presented verbally to IPDC on 15 June.

Activity Update

Phase 1: (Smartcards on Rail). With the relaxation of some COVID-19 restrictions, there has been a recommencement of delayed PVal civils work at Northern and Merseyrail stations and Northern's live flexi-season testing is again underway. Live launch of flexi-seasons is however on hold at the direction of the DfT. The fact that works were on hold from early March has inevitably impacted on the completion date for PVal installation. We await revised plans from the contractors. The current end date of January 2021 is however not expected to be compromised as the critical path is set by Merseyrail's software procurement rather than the hardware issues.

Phase 2: (Public Transport Open Data) MerseyTravel, TfGM and WYCA are increasing their use of the Disruption Messaging Tool (DMT). Nexus will go live in early June. Work continues to encourage developers' interest in the Open Data Hub (ODH). Two developers are adding disruptions data to their platform for customers to use and there are varying levels of testing by a further 32 organisations. Several enhancements to the DMT have been delivered on time by our supplier and will go live in early June. The most significant is a change that enables integration with social media systems used by the LTAs. In relation to the Fares Tool, the two most recent 'Sprints' have shown good progress. Progress has been made on two identified risks: a solution has been agreed to authentication (logging on) functionality and implementation has now started; and we have briefed the Government Digital Service on the challenges we have experienced in recruiting test users from bus companies due to Covid-19. Discussions have begun with DfT regarding acceptance criteria in relation to the eventual transfer of the tool to them.

Phase 3: (Contactless on Rail): TfN has developed a paper, supported by TfN Board, which sets out the North's proposal to accelerate the national rollout of contactless on rail – against a backdrop of waiting for DfT to publish the Williams Review. DfT's Investment Projects and Delivery Committee will be provided with a verbal update on our proposal on 15 June. Both Northern and

Merseyrail have given strong support. There continue to be discussions with TOCs to understand their plans and to seek opportunities for collaboration.

Phase 4: (Local Smart Schemes) The SOC has been finalised and submitted to DfT’s Centres of Excellence for their review and then onward submission for consideration by the Investment Committee on 29 June.

Risks		
Risk/Issue Summary	Summary of Mitigating Measures	KPI
Phase 1 – Risk: There has been recommencement of delayed civils work. Going forward the impact of COVID-19 on civil works (social distancing and travel restrictions) and delay to readiness of PVal heads may further stall the installation and commissioning of PVals, and subsequently the completion of the full rollout of flexi-seasons.	1. TfN continues to engage with Train Operating Companies to support mitigations to delays. TfN to keep aligned with DfT to understand and influence decisions about the introduction of flexi-seasons and ensure ‘go live’ readiness.	3
Phase 2 – Risk: If there is a delay in agreeing acceptance criteria with the DfT it could affect the timely handover of the Fares Data Built Tool to them with consequential time and cost impact on TfN.	1. To agree with DfT the acceptance criteria, the handover process and timeline to ensure that we remain within time and budget.	4
Phase 3 – Risk: The DfT’s rollout plan for contactless on rail may not align with IST proposals and as a result, contactless ticketing may not be rolled out in the North as an early part of a national programme as agreed at TfN Board.	1. Submit TfN proposal for a way forward for Contactless on Rail in the North for consideration at DfT investment committee on 15 June. Lobby DfT officials.	5
Phase 4 – Risk: There is a risk that the funding for the Phase 4 proposal may not be secured because it is not approved by DfT’s investment committee.	1. Respond to DfT Centres of Excellence queries prior to submission of the Strategic Outline Case to the Investment Committee on the 29 June. Lobby DfT officials.	

Programme and look ahead

Phase 1

- Further progress of Northern landlord and listed building consents for station PVal installations.
- Full resumption by Merseyrail and Northern of PVal installation civils work in readiness for the heads to be fitted in August and September.
- Northern and Merseyrail initial PVal testing.

Phase 2

- DMT social media messaging capability ‘go live’ for LTAs to use.
- Work with NEXUS to ‘go live’ with the DMT.

Phase 3

- Include contactless on rail as part of the economic recovery plan letter to DfT.

Phase 4

- Finalise SOC by responding to DfT Centres of Excellence for discussion at Investment Committee on 29 June.

Strategic Development Corridors (SDCs)

Monthly Summary

This month's work has focused on identifying proposed schemes to be included in an Economic Recovery Plan and continuing to mitigate risks to the Investment Programme Benefit Analysis workstream.

Activity Update

During this month TfN has:

- Presented the Investment Programme 'sequencing report' and Future Travel Scenarios to Partners at the Strategic Oversight Group (SOG) and to Executive Board on 14 May 2020. These reports detail how we developed three sequencing options for the Investment Programme, and a framework to ensure investments are robust, resilient and agile to future change uncertainties. This will be presented at TfN Board for comments on 11 June 2020.
- Developed a public-facing publication for the Future Travel Scenarios and will ensure alignment with other relevant material such as the decarbonisation pathways. Work to build the scenarios into TfN's Analytical Framework modelling tools has also begun, so that we can run sensitivity tests as part of the benefits analysis work, which will start in the Autumn. Partner engagement continues via SOG and Analytical Assurance Group.
- Developed a proposed TfN response to the government call for evidence on Future Transport and shared this with Partners for comments. This is focused on enabling the UK's transport system to support delivery of climate change targets.
- Continued to monitor and manage the risks ahead of procurement for the Investment Programme Benefit Analysis (IPBA).
- Held one-to-one virtual meetings with representatives from each Local Transport Authority to discuss potential interventions that could be accelerated for delivery as part of an Economic Recovery Plan. The outputs of the Strategic Development Corridors, Investment Programme sequencing update, Long Term Rail Strategy, NPR business case and the Major Roads Report are being used as an evidence base for this work. An update will be presented to TfN Board, 11 June 2020.
- Mitigated any challenge of co-ordinating engagement with Partners during the current lockdown. We are continuing to monitor and mitigate critical risks, including the application of innovative transport and economic models, to allow the procurement of the IPBA commission to start Summer/Autumn 2020.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
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<p>Innovative Modelling – Risk: The IPBA project relies on a set of innovative models to provide evidence for the North’s business case but they 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.</p>	<ol style="list-style-type: none"> 1. To include a 4-week familiarisation period in the programme so consultants will have time to try out the new models. 2. The modelling team to continue to provide monthly high-level updates on the progress of model development. 3. Review timescales and the programme, on a monthly basis, thus allowing more time for the models to be sufficiently tested on NPR and thereby provide consistency and integration between the NPR and the business case for the North. 	10
<p>Delivery changes to the STP essential schemes - Risk: Uncertainty at this stage on how and when mega-projects such as MNWQ (Manchester North West Quadrant), TPT (TransPennine Tunnel) and NPR are delivered as these are 'STP (Strategic Transport Plan) essential' schemes and central to the SDC reference case. There is a risk that the delivery dates for MNWQ, TPT and NPR may change, which will have an impact on the reference case assumptions.</p>	<ol style="list-style-type: none"> 1. Review the reference case at the beginning of the benefits analysis commission programme; the reference case could be changed to 2040 OR the three strategic studies could be removed/amended from/in the reference case. 2. Continue to communicate the risk clearly to stakeholders to manage expectations. Complete a decremental analysis to measure the impacts of any changes to the delivery of these schemes against the whole Investment Programme. 	10
<p>Partners endorsement of Economic Recovery Plan - Risk: There is a risk that the Partners may have conflicting views on the interventions submitted as part of the Economic Recovery Plan. If funded, these schemes could be advanced earlier than currently planned.</p>	<ol style="list-style-type: none"> 1. Use the agreed sifting tool to assess all proformas. 2. Continue holding one-to-one meetings with Partners to check and challenge their proformas. 3. Hold an internal workshop to ensure the submissions are aligned with other programmes. 4. Submit proformas to SOG (Strategic Oversight Group) for review. 	6

Programme and look ahead

- A report on the qualitative sequencing options of the Investment Programme, including the TfN Future Travel Scenarios development, will be submitted to TfN Board at its meeting on 11 June 2020 for comments.
- During June, the team will engage with TfN’s Partners to review potential interventions for inclusion in the Economic Recovery Plan. We will develop a report as well as a proforma for each intervention, which will be presented to Strategic Oversight Group, 25 June 2020.
- During June, the team will share a first draft of the Future Travel Scenarios publication with the Strategic Oversight Group, as well as an update on modelling progress and future milestones.
- The team will also share a finalised Future Transport response, including any partner comments, to both SOG and Executive Board, before submitting in time for the deadline on 3 July 2020.

Major Road Network (MRN)

Monthly Summary

TfN continues to work with its Partners to monitor the progress of the Major Road Network and Large Local Major interventions. We are also working closely with Highways England to have a greater engagement and collaboration in the development of Road Investment Strategy 3.

We have asked Highways England and local partners to provide evidence of the impact of COVID-19 on travel behaviours and patterns, as well as impacts on air quality.

Activity Update

- Members of the Major Roads Group are working with TfN to collate a long list of potential interventions for accelerated development via the Economic Recovery Plan. For more information on the Economic Recovery Plan, please see the SDC update.
- TfN is continuing to review the final data outputs of the anonymised mobile device data for the Major Road Network. This data provides TfN and its Partners with specific travel data for sections of the MRN, including journey time, reliability, average length of overall journey and evidence on origin and destination of trips. The project will be closed out in June 2020, at which point TfN will share the data with Partners.
- TfN and Partners are working with Highways England on a new strategic study, the South Manchester Highway Transport Study; TfN have provided feedback on the project scope.
- The preferred route for the A66 dualling project has been announced and Amey and ARUP have been procured to complete the next stage of work; stage three of the Project Control Framework, which covers preliminary design and public consultation.
- A £355m upgrade on A63 Castle Street (Hull) has been announced by the government. Balfour Beatty has been awarded the contract.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
<p>Negative Perceptions - Risk: Due to the environmental and sustainable impacts of traffic and congestion, road schemes may not get the investment needed to deliver the Strategic Transport Plan.</p>	<ol style="list-style-type: none"> 1. To develop a road map to sustainability, including the road network and multi-modal integration. 2. To work with TAME to demonstrate the impact of road investment and the positive impacts of behaviour changes. 3. Review the change in travel behaviours, patterns and air quality following COVID-19. 4. Updating the Major Roads webpage. 	<p>6</p>

Programme and look ahead

- TfN and Highways England will submit a report to TfN Board in June updating Members on future road investments.

Strategic Rail

Monthly Summary

The operational focus remains on supporting COVID-19 related work and recovery planning. There continues to be strong joint working between Transport for the North (TfN), the Department for Transport (DfT), the Rail North Partnership (RNP) and the train companies working through the North of England Contingency Group.

On 18 May 2020 both Northern and TPE (TransPennine Express) increased the number of services to circa 63-75% of the usual timetable to accommodate the changing advice from government and have implemented arrangements to allow clear social distancing on trains and at stations. At the time of writing, operators were seeing some increase in levels of patronage, including the leisure market, but passengers were still generally able to social distance.

Activity Update

TfN continues to work closely with the DfT and Network Rail on investment plans across the North of England including schemes to address congestion hotspots in Central Manchester (including through the Manchester Recovery Task Force) and at Leeds. TfN's initial submission to the National Infrastructure Commission call for evidence on the Integrated Rail Plan was made on 29 May 2020, with substantial input from Strategic Rail.

DfT's Investment, Projects and Delivery Committee (IPDC) has been asked to support a baseline Outline Business Case (OBC) for the TransPennine Route Upgrade (TRU) programme for partial electrification and, in parallel, also endorse further development work for a full electrification option which also considers the gauge clearance options for freight in more detail. We understand Ministerial and Treasury approval is being sought to release funding for further design and development work in 2020.

Progress is being made on the implementation of the Blake-Jones Action Plan and a final report is under development for the Rail North Committee in July 2020.

The Northumberland Line Strategic Outline Business Case has been approved by DfT and funding for the OBC and Ministerial and Treasury approval is now being sought.

Risks

Risk/Issue Summary	Summary of Mitigating Measures	KPI
The long-term effect of COVID-19 on viability of Franchises - Risk: There is a risk that the demand for rail may take a significant amount of time to recover to pre-COVID-19 levels, impacting 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"> Proposing an ambition programme of work as part of the Economic Recovery Plan. TfN is working with the industry to try to influence future investment decisions. 	9
Treasury Investments and the COVID-19 Pandemic - Risk: At the national and strategic level, given that the Treasury is	<ol style="list-style-type: none"> TfN is developing an Economic Recovery Plan, making the case for continued investment in the North. 	9

<p>pouring its attention and resources into the economy to deal with the pandemic, it is possible that the Department may review the funding and scope available for infrastructure projects in the future leading to delayed or less ambitious schemes which do not align with TfN strategy.</p>	<p>2. TfN will input into decision-making by giving statutory advice where appropriate, or through input to Rail North Partnership.</p>	
<p>DfT Reprioritisation and the Williams Review - Risk: The coronavirus pandemic has meant DfT has had to prioritise their focus and resources in responding to the pandemic. This has led to the delay in the publication of Williams Review. 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.</p>	<p>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.</p>	<p>9</p>
<p>TfN TransPennine Route Upgrade (TRU) Statutory Advice - Risk: There is a risk that the next phase of Network Rail's development and design work is unable to support TfN's aspirations for the North TransPennine rail corridor as identified in our statutory advice issued in September 2018. This will inhibit the ability of TRU to form part of a broader, coherent rail investment strategy for the North as identified in statutory advice issued in January 2020.</p>	<ol style="list-style-type: none"> 1. The Strategic Rail team and RNP continue to work together to support Network Rail in producing an investment plan that meets passengers' needs and expectations through delivery in full of the outcomes set out in the TRU remit. 2. TfN continues to stress to DfT and Network Rail the importance of delivering W10/12-gauge clearance to support container traffic across the Pennines and help increase the number of freight paths. 3. Through the Manchester Recovery Task Force and directly with DfT, TfN continues to press the case for adequate investment in Manchester. 4. TfN continue to stress to DfT the importance of developing a parallel option to the Outline Business Case which better serves the North. 	

Programme and look ahead

- Support, monitor and help shape the industry response to the COVID-19 outbreak.
- Working through the Rail North Committee and Board, respond to industry proposal for mitigating cross-Manchester performance issues.
- Continue preparations for the Williams Review White Paper publication and link this to the implementation of the Blake-Jones Action Plan. Report to the Rail North Committee in July.
- Respond to Northern's 100-day plan commencing with a report to the Rail North Committee in July
- By the end of July, complete an assessment of capacity and connectivity issues and the potential for future growth on all rail services across the North, working in collaboration with partner organisations (via the Officers' Reference Group).

Operations Summary

Monthly Introduction

Operational focus for May included: reaching an agreement with the DfT around outstanding Northern Powerhouse Rail funding; continuing work on the Northern Transport Charter and TfN's decarbonisation strategy; supporting and promoting clear messaging around the use of public transport around COVID-19 guidance; and continuing to hold Board, Committee and Scrutiny meetings formats appropriate for the current situation. The TAME team continues to support the NPR programme following the receipt of funding letter 16, whilst also preparing to support the SDC team's Investment Programme Benefits Analysis (IPBA) programme.

Activity Update

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

Stakeholder Engagement & Communications

- The Stakeholder Engagement and Communications Team has continued to support and promote clear messaging regarding use of public transport within national COVID-19 guidance. This has included promoting the views of Rail North Committee Members, with the May meeting streamed online for the first time, as well as sharing original and Partner content relating to use of platforms and trains under social distancing measures. Comments from the Scrutiny Committee were also published online, it being the first meeting available to watch online.
- TfN has also reacted positively to several government announcements and commitments, including the preferred route announcement for the A66 upgrades, publishing media statements and hosting guest content from Highways England following the news, in addition to further activity on the A63 in Hull and publishing active travel content to coincide with increased government support for such projects. Elsewhere, the Communications team also published and promoted TfN's first submission to the National Infrastructure Commission (NIC) in support of the Rail Needs Assessment for the Integrated Rail Plan. The submission is now hosted online and profiled across TfN's social media channels.
- A Communications Memorandum of Understanding (MOU) between TfN and DfT has been agreed as part of the wider core funding Grant Agreement discussions.
- Consideration is being given to the timing and methodology of consulting on the Northern Powerhouse Rail network. The timing of this is being considered alongside the 2020/21 programme milestones, and against the context of social distancing restrictions.

- In addition, internal communications continues to be a priority focus area for the team during full remote working, ensuring wellbeing and maintaining morale are a key focus. This has involved hosting internal organisational update broadcasts to all colleagues, online Team Talks sessions, internal e-bulletins and interactive wellbeing sessions.

Finance & Procurement

- Agreement was reached with the DfT for all outstanding NPR funding letters, allowing paused contracting to commence.
- The draft unaudited statutory accounts for financial year 2019/20 were released for public inspection on the 1 June 2020.
- Budget reforecasts were being developed to allow TfN to consider the impacts of COVID-19 on its activity and expenditure profiles.
- Work was underway with the DfT to develop new grant agreement templates to further standardise funding flows.
- Ongoing support is being provided to the business by the Procurement team to manage the impacts of the COVID-19 crisis. As part of this engagement the team is currently managing the pipeline and working with stakeholders to ensure early engagement is undertaken.

Legal & Democratic

- A virtual Board consultation meeting was held on 29 April 2020. Rail North Committee successfully held its first public meeting on 12 May 2020 followed by Scrutiny Committee on 14 May 2020, and Board (11 June 2020) will also be held as a public virtual meeting.
- The modern.gov software system (to streamline our governance and meeting management arrangements and which is used by a number of constituent authorities) has been installed and training commenced, expected to be completed in June. Following training, and a period to enable officers to establish familiarity with the system, a pilot rollout of an internal meeting will be arranged, followed by a public meeting later in the year. Further details and expected dates will be shared with Partners in future monthly reports

Strategy & Policy

- Work continues on the Northern Transport Charter (NTC) in advance of our next meeting of the members working group at the end of June (KPI 12 & 16). We are working closely with other TfN teams to ensure that work on the Economic Recovery Plan and Integrated Rail Plan are informed by the long-term approach of the NTC.
- Work on TfN's decarbonisation strategy continues with a strong focus on modelling pathway scenarios. Our work on this is closely linked to the scenarios being developed by TAME and the Major Roads Team. A dedicated environmental policy officer has now been appointed to take forward this work from later in the summer (KPI 11).

- On the Integrated Rail Plan for the North and Midlands, the policy and strategy team coordinated and prepared the TfN response to the NIC call for evidence which was submitted on the 29 May 2020. The next phase of work, producing specific proposals to inform the IRP, is now underway and an initial set of proposals will be shared with the Board at the July 2020 meeting.

Economics & Research

- The focus of the team has been on supporting the Economic Recovery Plan whilst completing a number of ongoing research projects as part of the Northern Powerhouse Independent Economic Review Programme that will inform both the work on the Northern Transport Charter and the review of the HMT Green Book on appraisal currently underway.
- The Economics and Research team has been combined with the Strategy and Policy team following the appointment of a single Head of Service.

TAME (Technical Assurance, Modelling & Economics)

- Following release of Funding Letter 16 a number of new procurements and contract extensions are being progressed with the procurement team. The majority have been prioritised to meet the programme needs of the NPR Strategic Outline Case programme.
- Early progress is being made on preparation of Analytical Framework models and tools for the Investment Programme Benefits Analysis (IPBA) programme. Weekly meetings are now planned with TAME staff to keep the Investment Programme team abreast of the programme of works and impacts on the programme.
- Following significant interest from TAME supply chain a method to provide a forecast of procurement activity is under development. It is planned that this will be released to suppliers on a quarterly basis to assist their resource planning at this uncertain economic time.
- The NPR Corridor Sift team made up of TAME officers and consultants continues to provide delivery of outputs for the six NPR corridor sift workshops. This includes provision of rail benefits from the Northern Rail Modelling System (NoRMS) and transformational land-use benefits from the Northern Economy and Land Use Model (NELUM).
- Further development of NoRMS, NELUM and the new TfN Future Travel Scenarios continues in the background and is now planned for completion by mid-August so that final versions of the tools can feed into the NPR SOC. However, the team stand ready to quickly respond to potential decisions around building further short-term improvements to the models currently under application on the sift process.
- Development of TfN's Northern Highway Assignment Model (NoHAM) has restarted following a pause due to COVID-19-related absence of key consultants. Meanwhile the refreshed version of the Great Britain Freight Model (GBFM) has been completed. NoHAM will be used to estimate the multimodal impacts of NPR and as part of TfN's Investment Programme

Benefits Analysis (IPBA). The GBFM will help understand the multimodal freight impacts across road, rail and maritime and the freight factors external to the transport investment. The freight analysis using the GBFM will provide an evidence base to support NPR, the IPBA, the Decarbonisation Pathways and Future Travel Scenarios.

- An updated strategy for forecasting the economic impacts of freight using the Great Britain Freight Model is under development. This will be an integrated approach, serving both the NPR and IPBA programmes.

Financial Performance

Financial Update

Summary

Expenditure incurred in May: £4.23m

Variance to May monthly budget: On budget for the month

Year to-date expenditure: £8.24m

Year to-date variance to budget: £0.92m

Headlines

- TfN's financial position for Period 2 (P2), whilst being on budget, continues to show a number of over and underspends largely reflecting COVID-19 related issues.
- Whilst parts of the organisation have been able to deliver activity at or ahead of budget, those that involve construction or asset installation have slipped.

Programmes:

- The pattern of variances in P2 are similar to those observed at P1, with underspend in the Integrated and Smart Travel programme driven by previously reported issues with the Phase 1 ITSO on Rail project, and expenditure ahead of budget on the Network Rail contract within the NPR programme. However, the overall net impact is significantly reduced.

Integrated & Smart Travel:

- Programme-wide underspend of £0.17m (24%) in the month
Phase 1
 - No major milestones were budgeted or incurred in the period.
 - The main variance to budget relates to delayed marketing activity delivered through the Northern franchise.
 - Phase 1 underspends have been reported since Autumn 2019 as the contracting undertaken by the Northern train operating companies continued to fall behind schedule.
 - The delivery of platform validator machines and other pieces of field equipment, largely manufactured in China, were then delayed due to quarantine measures as COVID-19 spread in Quarter 4 of 2019/20.
 - Whilst equipment has now been received in country, lockdown measures have impacted upon the ability of contractors to gain access to sites to install equipment.

- It is likely that activity and expenditure will continue to slip until working restrictions are eased.

Phase 2/3/4 and Programme Team

- The other Phases of the IST programme are underspent by £0.1m in the period, largely reflecting lower than forecast external support costs.

Northern Powerhouse Rail

- The NPR programme incurred expenditure over budget by a net £0.27m (10%):
 - This reflects £0.61m of expenditure ahead of budget on the Network Rail contract as activity continues to accelerate to the conclusion of the Sequence 4 activity. The variances to date are against the forecast compiled in February. The revised forecast will take into account the actual budget overspends to-date.
 - Overspend against this contract was offset by underspend on budgeted activity for Network Rail pre sequence 5 (£0.14m) and a number of key contracts and delayed recruitment activities that were deferred until the Department for Transport was in a position to commit funding.
- All outstanding funding letters have been agreed in the period.

Strategic Development Corridors (SDC)

- Relatively low levels of activity were included in the budget for the period and this was reflected in the levels of actual expenditure.
- Activity on the quantitative sequencing activity is not now expected to begin before Quarter 2.

Operations:

Rail Operations

- There was an underspend of £0.08m in the month across the Rail North Partnership and Strategic Rail teams.
- This principally reflects vacancy underspend, in part as budgeted posts for the Blake-Jones implementation were held awaiting funding commitment.

Operational Areas

- Net expenditure across the operational areas resulted in an immaterial underspend of £0.02m.

Activity Dashboard

TRANSPORT FOR THE NORTH FINANCE DASHBOARD					PERIOD BUDGET CYCLE		2 FISCAL	MAY 2020/21
PERIOD ACTUALS VERSUS BUDGET								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£0.55	£0.73	£0.17	24%				
Northern Powerhouse Rail	£3.03	£2.76	-£0.27	-10%				
Major Roads	£0.03	£0.04	£0.00	8%				
Programmes	£3.62	£3.52	-£0.09	-3%				
Rail Operations	£0.18	£0.25	£0.08	31%				
Operational Areas	£0.43	£0.45	£0.02	4%				
	£4.23	£4.23	£0.00	0%				
PERIOD ACTUALS VERSUS BUDGET: PROGRAMMES								
	Actuals £m	Budget £m	Var. £m	Var. %				
IST: Phase 1	£0.15	£0.20	£0.05	24%				
IST: Phase 2	£0.17	£0.24	£0.08	31%				
IST: Phase 3	£0.05	£0.06	£0.00	6%				
IST: Phase 4	£0.06	£0.10	£0.04	41%				
IST: Programme	£0.12	£0.13	£0.01	6%				
Northern Powerhouse Rail	£3.03	£2.76	-£0.27	-10%				
Major Roads	£0.03	£0.04	£0.00	8%				
	£3.62	£3.52	-£0.09	-3%				
YEAR TO-DATE ACTUALS VERSUS BUDGET								
	Actuals £m	Budget £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£1.13	£2.12	£0.99	47%				
Northern Powerhouse Rail	£5.84	£5.58	-£0.26	-5%				
Major Roads	£0.11	£0.09	-£0.02	-22%				
Programmes	£7.08	£7.80	£0.71	9%				
Rail Operations	£0.35	£0.51	£0.15	30%				
Operational Areas	£0.81	£0.86	£0.05	6%				
	£8.24	£9.16	£0.92	10%				
YEAR TO-DATE ACTUALS VERSUS FORECAST TO OUTTURN								
	Actuals £m	F/cast £m	Var. £m	Var. %				
Integrated and Smart Ticketing	£1.13	£9.69	£8.55	88%				
Northern Powerhouse Rail	£5.84	£43.78	£37.94	87%				
Major Roads	£0.11	£1.88	£1.77	94%				
Programmes	£7.08	£55.35	£48.26	87%				
Rail Operations	£0.35	£2.98	£2.62	88%				
Operational Areas	£0.81	£7.46	£6.66	89%				
	£8.24	£65.78	£57.54	87%				
FUNDING YEAR TO DATE					FUNDING FORECASTS TO OUTTURN			
	Actuals £m	Budget £m	Var. £m	Var. %	Actuals £m	F/cast £m	Var. £m	Var. %
TDF - Rail	£5.68	£5.42	-£0.25	-5%	£5.68	£42.82	£37.15	87%
IST - Capital and Revenue	£1.13	£2.12	£0.99	47%	£1.13	£9.69	£8.55	88%
Core Grant	£1.16	£1.29	£0.13	10%	£1.16	£11.39	£10.23	90%
Rail North Grant & Contributions	£0.24	£0.27	£0.03	11%	£0.24	£1.53	£1.29	84%
TDF - Roads	£0.00	£0.00	£0.00	-	£0.00	£0.00	£0.00	-
Trading Income	£0.04	£0.06	£0.02	33%	£0.04	£0.36	£0.32	89%
	£8.24	£9.16	£0.92	10%	£8.24	£65.78	£57.54	87%

HR Update

Human Resources Update

Salaried Establishment as at **5 June 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	30 (29.32 FTE)	5 (5.00 FTE)	35 (34.32 FTE)
Operational & Delivery	94 (92.98 FTE)	41 (40.50 FTE)	136 (133.48 FTE)
Total Establishment	126 (123.47 FTE)	46 (45.50 FTE)	172 (168.97 FTE)
Strength (in post)	111 (109.15 FTE)	29 (28.50 FTE)	140 (137.65 FTE)
Appointed (start date pending)	5 (5.00 FTE)	5 (5.00 FTE)	10 (10.00 FTE)
Active/Pending Recruitment	2 (2.00 FTE)	2 (2.00 FTE)	4 (4.00 FTE)
Vacant – On-hold	8 (7.32 FTE)	10 (10.00 FTE)	18 (17.32 FTE)

Agency Resource - Covering Vacant Posts

Area	Posts (FTE's)
Support Services	3 Post (2.12 FTE)
Operational & Delivery	2 Posts (2.00 FTE)
Total	5 Posts (4.12 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 – 2020/21 Year to Date





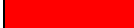
Corporate Sickness Level:	3.1%
Employment Policy Application:	0%
Employee Turnover (Voluntary Leavers):	1.5%
% of Employees from an Ethnic Minority Background:	15%
% of Employees declaring a Disability:	8%
Gender Mix - % of Female Employees:	32%
% of Male Employees:	68%





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

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

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	On Track	
			TfN response to the NIC submitted 29 May 2020. Second phase of work now underway ahead of July TfN Board.	
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 next step is to complete a re-baselining activity of the programme for the SOC submission in March 2021.	
Integrated and Smart Travel	3	Complete the delivery of the Integrated and Smart Travel on Rail Project (Phase 1). November 2020	Delay	
			Northern is on track to complete delivery in November 2020. MerseyRail plan to roll out their own products by October 2020 with the capability for national products planned to complete by January 2021. COVID-19 impact may detrimentally affect the completion date as this has delayed on site works, which have begun this month.	
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 is currently on track to meet the KPI. DMT (Disruption Messaging Tool) and ODH (Open Data Hub) are live and being rolled out to LTAs and developers. Further enhancements to DMT will be delivered during the course of the year. FDBT (Fares Data Build Tool) has completed the first stage of development (alpha) and the prototype is being developed in the second stage (beta)	

			private), but the impact of COVID-19 is beginning to slow progress.
Integrated and Smart Travel	5	Agree a plan for the delivery of contactless payments on rail, in collaboration with the DfT and Rail Delivery Group (Phase 3). December 2020	On Track A paper outlining the North's proposals to accelerate contactless on rail in the North is being developed with the DfT sponsor team for verbal presentation of the proposal at the June meeting of DfT's investment committee.
Major Roads	6	Agree and approve the Transport for the North Major Roads Report. March 2021	On track The technical report has been completed and the Major Roads Report will be updated following the completion of the decarbonisation workstream.
Strategic Rail	7	Implement the recommendations in the Blake-Jones review. June 2020	Delay The Blake-Jones Action Plan was presented and approved at the 12 May 2020 Rail North Committee meeting and progress is being made on the implementation with a final report to be taken to Rail North Committee in July 2020. The slight delay is due to attention focussed on responding to the rail operational aspects Covid Crisis. A decision on funding future resources is still awaited from DfT.
Strategic Rail	8	Develop a TfN response to the Williams Review. Within three months of publication	On Track A response to the Williams Review will be developed within three months of its publication; the date of which is yet to announced.
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	In Progress Strategic Rail is proactively supporting the industry through the crisis and recovery, for example through the North of England Contingency Group. A plan to support the economic recovery both by investment in infrastructure and services is being developed.
Strategic Development Corridors	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	On Track A report on the three sequenced programme options will be submitted to Board on 11 June 2020.
Strategy	11		On Track

		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	Work continues at pace on TfN's decarbonisation strategy. Work during May has focused on building the evidence through the Future Scenarios and Pathways work to support strategy development.
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	Not Started This KPI doesn't start until KPI 16 has been completed, this is because as part of the Northern Transport Charter we are working with Members to identify the principles of an inclusive and sustainable North.
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 In progress. There was a substantive discussion at the TfN Scrutiny meeting on 14 May 2020.
Modelling and Analysis	14	Complete and deploy the Analytical Framework throughout TfN's programmes. March 2021	Delay There is a risk of delay to delivery and deployment of the analytical framework due to a number of resourcing factors, including staff absence due to COVID-19 and staff leaving the organisation. These delay risks are being managed in partnership with the TfN programmes.
Organisation	15	Develop and provide a Spending Review Submission to Government. At date set by HMT	On Track No firm timetable has been provided for the Spending Review. In the meantime, TfN continues to develop the Northern Transport Charter, which will form the basis of its submission.
Organisation	16	Develop and adopt the Northern Transport Charter. June 2020	Delayed Work continues on the Northern Transport Charter with officers drafting papers to present to the next Members' working group which has been rescheduled from March to June as a result of COVID-19. This has had a knock-on effect and it is now planned to present a final version to the July or September 2020 Board for adoption.



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