

Quarterly Operating Report

April - June 2024



1 Chief Executive's Introduction

- 1.1 With the adoption of the revised Strategic Transport Plan (STP) by the Board at its meeting on 20 March, the North's Political and Business leaders have an up to date, evidence-based strategy that sets out the scale of the economic prize in the North.
- 1.2 With a new government, it also means Transport for the North (TfN) is able to demonstrate the critical role that investment in the North's transport system plays to enable sustainable, inclusive growth.
- 1.3 Moving forward, we want to continue to harness the technical capacity and capability TfN holds on behalf of the North's leaders to support delivery within communities across the North of the STP ambitions.
- 1.4 With public sector finances under continued pressure the importance for our partners of being able to draw on the technical knowledge and tools continues to increase. Requests to access our technical capability and capacity through the TfN Offer are growing. Prior to the next round of annual business planning, we will work with our partners – both across the North and nationally – to understand how we need to develop the TfN Offer further to help them.
- 1.5 Equally, at the time TfN was established by Parliament it had several powers devolved to it from national government. These include powers that TfN Constituent Authorities can draw upon to enable delivery of schemes they are promoting. In addition, the Rail North Agreement gives TfN and its partners contractual opportunities in relation to the delivery of services by Northern and TransPennine Trains (TPT). There is considerable scope to harness these existing powers and roles in support of the work of our Mayoral Combined Authorities (MCAs) and Local Transport Authorities (LTAs).
- 1.6 With the calling of the General Election, the round of Member meetings scheduled for June were either cancelled or postponed. Milestones originally planned for June have been deferred to the next available meeting. Where delivery of milestones is dependent upon Departmental initiatives or guidance these are identified and as such may require some re-planning and/or re-focus.
- 1.7 Turning to our progress between April and June, we've introduced a Red, Amber, Green (RAG) rating for each milestone to offer an "at a glance" view of performance against the TfN annual business plan. We've also continued to refine this report, to ensure it is more succinct and focused. Looking specifically at deliverables, notable achievements in this quarter include:
 - We launched our monitoring and evaluation dashboard in April 2024. This is being used to monitor progress against the key metrics from our STP and will be used to inform our annual planning process.
 - We have rolled out our Electric Vehicle Charging Infrastructure (EVCI) Framework to the Midlands Connect and Transport for South East sub-national regions. It will be made available to the rest of

England (outside of London) later in the summer, and we've got a range of enhancement planned for the North's tool (see BP9 below).

- We have made 'zap map' monitoring data available (which provided quality EV deployment data free of charge) to all MCAs/LTAs via the TfN Offer delivering savings and efficiencies for our Northern partners.
- Enabled new train services to support growing leisure demand (see BP12 below).
- Held our first business roundtable – principally to inform our work on freight and logistics – with the North's major ports. Hosted by our Chair and with a focus on common challenges facing these global gateways, as well as identifying opportunities to support their role moving forward.

1.8 I am also pleased to report that following the local and mayoral elections in May, we've been able to meet the mayors of our two newest Combined Authorities – Mayor McGuinness (North East) and Mayor Skaith (North Yorkshire and York). These were introductory meetings to understand their priorities, and we look forward to welcoming them to future TfN Board meetings.

2 Progress against Business Plan Key Milestones

RAG Key:

R	Deferred progress
A	Delayed progress
G	On target

BP 1	Secure the agreement of the Board to submit statutory advice on the North's Bus Network – June 2024	A
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2.1 Our work to support our partners with the delivery of their Bus Service Improvement Plans (BSIPs) has focused on providing evidence and analysis to them (as part of the TfN offer) for their local plans and business cases. Through our pan-regional bus forum, we've enabled learning and knowledge sharing too. Using our evidence base and partner feedback, we've drafted a set of policy recommendations that will support delivery. The first opportunity to discuss these with members after the General Election will be at the Partnership Board on 17th July. We expect to provide an update on work to the main Board in September. Separately, in response to a request from the National Bus Centre of Excellence, we are preparing a 'beginner's guide to buses and the wider industry', to aid knowledge sharing. This is primarily aimed at professionals new to work in the bus sector.

BP 2	With partners, identify the North’s requirements of national rail reform, building upon existing levels of rail devolution (such as the Rail North Agreement) – June 2024	A
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2.2 Following the announcement of the General Election, we revisited our previous assumptions around the timeline for rail reform. We’ve identified some opportunities, building on the existing devolution of powers to the North via the Rail North Partnership (RNP), and expect to engage with members and partners over the summer to get their views – which will enable us to consider how we can add value to MCAs and LTAs.

BP 3	Secure the agreement of the Board to a strategy for improving accessibility to and at rail stations, and to identify key actions for implementation – June 2024	A
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2.3 Work on the scope and economic case for the station accessibility programme has been supported by our working group, for presentation to Rail North Committee (RNC) in July – rearranged as a consequence of the timing of the General Election.

2.4 The proposed programme includes “quick wins” (work that can be completed without serious disruption to passengers) to be delivered between 2026 and 2029 with a second phase between 2029 and 2035 that would provide step-free access at all stations. Our public survey on pan-northern accessibility closed in June, to inform this work, and we expect to report on findings in September.

2.5 Work is also underway to identify how TfN’s role (through the Rail North Agreement) might be used to enable initial progress with delivery might be achieved through the contracts for Northern and TPT.

BP 4	Secure the agreement of the Board to submit statutory advice to government on implementation of the STP - September 2024	A
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2.6 Our research is underway on how existing appraisal systems can be strengthened to better reflect conditions in the North. Our Appraisal Playbook will consider how the flexibilities within the current Green Book can be fully utilised and consider the wider social and environmental benefits of a scheme to help make the case for investment. It will also include case studies to show how flexibilities can be applied and the benefits. Early findings are expected in September, with the full report now likely to be Christmas owing to the resources required to complete the work.

BP 5	With partners, identify proposals for investment in the Major Road Network for consideration by government – September 2024	A
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2.7 Preliminary work is progressing on identifying and assessing a long list of potential Major Road Network (MRN) schemes. However, the expected publication of the Department for Transport (DfT) guidance and criteria for the MRN funding has been delayed, impacting on the timeline for completing work. We continue to engage with DfT to confirm next steps. In the meantime, work continues to support those partners with schemes that are in the original Large Local Major (LLM)/MRN programme as they progress through the formal approval processes. That includes recent work supporting Cheshire East Council with the business case for a road intervention opening up new development east of Middlewich.

BP 6	Secure the agreement of the Board to publish an investment pipeline for the North that forms the basis of input into the next Government Spending Review – September 2024	A
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2.8 Work is underway to review, assess and prioritise recommendations for strategic pan-regional transport investment in the North that is critical to enable delivery of the STP. With the General Election timing, we now intend to engage partners to shape how TfN can enable delivery of pan-regional infrastructure and services over the summer/autumn – which will include priority schemes and how we can support delivery. It is anticipated that the new government will set the framework for the next Spending Review over the summer/autumn and that our work on this item will be shaped by that.

BP 7	Deliver services commissioned by DfT in support of Northern Powerhouse Rail – Ongoing	G
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2.9 Work is progressing on the analytical programme in accordance with the business plan agreed with the DfT to deliver the necessary inputs into the Bradford Strategic Outline Business Case. The TAME team is engaging with DfT, the Ministry for Housing, Communities and Local Government, Network Rail and the City of Bradford Metropolitan District Council to ensure the alignment between bodies and consistence in evidence gathering.

2.10 More widely, work is in hand to re-baseline our analytical framework as planned, which will provide a re-base of the assignment and demand models from their current pre-COVID base. This includes a major data collection exercise to derive Northern specific parameters for our Northern Transport Modelling System, enabling us to make the case more robustly for investment in the North. The output of this work to update our analytical tools will also be available to support our partners.

BP 8	Secure the agreement of the Board to publish, for consultation, the draft update of the regional	G
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	transport decarbonisation strategy – March 2025	
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- 2.11 Work to update our Decarbonisation Strategy is underway, with the initial focus on the re-baselining of existing and future surface transport emissions. We are also working to recalibrate the levels of policy commitment needed within our Decarbonisation Pathway to align with our STP ambitions for an inclusive and prosperous transition.

BP 9	Secure the agreement of the Board to submit statutory advice to delivery partners and regulatory bodies that will support delivery of investment in Electric Vehicle (EV)/alternative fuels infrastructure – March 2025	G
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- 2.12 A draft 'State of Play' report is under development with TfN's pan-regional EV partner forum. This will outline progress of EV uptake and EV charging infrastructure deployment across the North, against the evidenced requirements in our EVCi Framework. Using evidence and insight, we expect it to highlight policy recommendations to support a rapid, efficient and value for money transition to EVs which supports all users who need to drive.

- 2.13 Alongside, we've continued to enhance our evidence base to give more data points (through our online mapping tool) to help MCAs and LTAs in their planning/delivery. This will include access to off street parking, local grid capacity against future need and commercial viability.

BP 10	Continue to develop the 'TfN Offer' to partners across the North and nationally, including roll out of the Common Analytical Framework – Ongoing	G
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- 2.14 The TfN Offer is now well established, with growing demands from MCAs, LTAs and other partners. While we are currently limited by resources available, as of end of May 2024 we had completed a total of 43 requests with a further 11 in progress – but we have received circa. 90 requests in total for data, analysis, and advice.

- 2.15 We are currently ensuring that partners can access our online mapping and assessment tools as easily as possible, enabling more 'self-service' use by TfN partners through dashboards, as well as expanding our analytical support for business case development. We will be collecting partner feedback on progress and impact of the TfN Offer to date over the summer to inform how we evolve the service to add most value to MCAs and LTAs going forward.

- 2.16 A new addition to the TfN Offer is our hydrogen re-fuelling visualiser, which went live during the quarter. This highlights areas across the North where the potential for hydrogen refuelling for heavy duty transport is greatest. This enables TfN partners to identify locations which are 'ripe' for building cross-sectoral partnerships to further define

potential projects, including the potential modes likely to offtake from those locations.

- 2.17 We've also begun work on fares modelling using economic data to guide pricing structures in different places – and we hope to make this part of the TfN Offer in due course. Currently, we are piloting the approach with Lancashire County Council, Hull City Council, and East Riding. Similarly, to improve the customer experience, we've been supporting partners on the case for integrating rail and local transport for leisure journeys around and onwards from Penrith.
- 2.18 Looking ahead, the TfN Offer will soon include the Subnational Transport Body (STB) Carbon Assessment Playbook to aid MCA/LTA assessment of carbon reducing policies and interventions. We'll be delivering briefing/training on the tool when it goes live.
- 2.19 The first iteration of our public transport visualisation tool is due to be launched in the summer, providing an online mapping tool on the reliability of local public transport services and analysis on access to jobs and education. This tool and the Playbook are intended to aid local transport planning within a place.

BP 11	Continue the TfN research programme and thought leadership activity as part of maintaining the evidence base that underpins the work of TfN – Ongoing	G
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- 2.20 Our new research strategy sets out our research priorities aligned to the STP. We currently have several strands of work in hand to maintain and enhance the regional evidence base that will ultimately support investment decisions.
- 2.21 We are refreshing the evidence underpinning our transport related social exclusion tool to offer more functionality and data points to support local planning. This includes a new 'severance tool', which compares barriers to active travel caused by major road and rail infrastructure.
- 2.22 The refresh of the Future Travel Scenarios also continues, following engagement with partners over the spring. That work is due for completion end of the year, providing an update to date set of plausible futures against which local policy interventions can be tested and modelled.
- 2.23 Understanding how new technologies in transport, from smarter infrastructure to artificial intelligence and connected vehicles, is an area our Board identified for further work following adoption of the STP. This is a broad topic area, and one where DfT is undertaking work nationally too. We are now scoping, based on partner insight, where TfN could provide evidence to inform local policy making.
- 2.24 Similarly, we are enhancing our evidence base for investment to support freight and logistics. Lorry parking facilities has been identified as a priority area, but with many organisations already doing work on this, we have focused on how we can work with others – like the Road

Haulage Association, National Highways and Logistics UK to bridge any gaps to promote delivery of improved facilities for lorry drivers.

- 2.25 We've taken a similar approach on road safety – given the zero-vision priority in the STP – and are exploring if our citizen's panel (Northern Transport Voices) can offer some insight to compliment the work of other partners. Our Panel, as well as focused on station accessibility (referenced above), is gathering insight on rural mobility hubs. This is a topic that is common for many of our members, and so we are providing pan-regional evidence to support local delivery and action.

BP 12	Continue the TfN research programme and thought leadership activity as part of maintaining the evidence base that underpins the work of TfN – Ongoing	G
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- 2.26 We have continued to make the case for investment and offer statutory advice where necessary, especially as we turn our attention more to implementation of the STP.
- 2.27 Following postponement in April of the planned recast of the East Coast Main Line (ECML) timetable in December 2024, we have been working on behalf of TfN members with the rail industry processes to ensure that proposed changes to the ECML timetable do not have adverse consequences for connectivity across the North.
- 2.28 The previous Rail Minister met with the RNC to discuss the matter in the spring, and a Task Force has been established with industry to find a way forward. TfN is an active member of the new Task Force and is keeping RNC and supporting officers sighted on the work of the Task Force, seeking steers as required.
- 2.29 Having submitted statutory advice to the Secretary of State recommending that Avanti West Coast's contract should be terminated at the earliest opportunity, we have continued to monitor their performance on the West Coast Main Line. An update will be given to the July meeting of the RNC.
- 2.30 Looking ahead, TfN officers expect to share the first iteration of the 'Blueprint on rail investment for the North' with RNC in September. The work provides a baseline understanding of the multitude of programmes and schemes in development/delivery across the North. It will help identify where there are interdependencies as well as highlighting where additional engagement is needed by industry with Northern partners to ensure effective and efficient outputs. Alongside, we expect to begin providing a four-weekly update on Trans Pennine Route Upgrade (TRU) to RNC and our members in collaboration with Network Rail to provide the most up to date information possible as delivery of this significant infrastructure scheme continues to ramp up.
- 2.31 Integral to delivering TRU benefits, is the investment in new rolling stock. Our RNP team have been working with TPT on their rolling stock procurement and the 'invitation to negotiate' issued in early June, and a new rolling stock financier procurement planned for the next quarter. In preparation for TRU delivery, TPT has also made good progress

delivering driver training to enable three trains per hour on diversionary routes from May 2025.

- 2.32 It has now been agreed to cut back TPT Manchester Airport-Saltburn services to Redcar Central from December 2024. This will allow TPT to add stops at Eaglescliffe and strengthen services on the Hope Valley line between Manchester and Sheffield. Similarly, TPT's new late-night Manchester-Liverpool services to service the Co-op Arena concertgoers had to increase from 3-car to 6-car soon after introduction due to high demand. TPT is also introducing additional summer York-Scarborough services to support growing demand and they have reported significant increases in trolley and dining patronage following introduction of its West Coast Kitchen and which has created 30 new jobs.
- 2.33 Earlier in the month, Northern launched the new Yorkshire Dales Explorer service, running two trains every Saturday between Manchester and Ribbleshead to support growing leisure demand. We are working with the Yorkshire Dales National Park and county councils to promote local activities and food and drink.
- 2.34 Later this year it is expected that passenger services will return to the Northumberland line between Ashington and Newcastle. As part of the offer to passengers it will include integrated fares to allow seamless transition to the Tyne & Wear Metro. Further, we've begun developing (through the RNP) the procurement that will replace ageing diesel fleets (around 250 trains) with Northern. The new trains are planned to start in service from 2029.
- 2.35 Within the RNP team, we've commenced the 2025/26 business planning process with a stakeholder event in Leeds on 21 June. Looking ahead, next quarter we expect to launch our outline passenger service specification project to develop a 10-year specification for Northern and TPT. This will be built around stakeholder strategic transport plans, including the North's STP, overlaid with passenger demand and budgets. This project will enable the North's priorities to directly inform the output rail services we get for our region.

3 People and Finance

3.1

TRANSPORT FOR THE NORTH				PERIOD	Q1	2024/25
FINANCE DASHBOARD				BUDGET CYCLE		BASE BUDGET
YTD ACTUALS VERSUS BUDGET - BY ACTIVITY						
	Actuals £m	Budget £m	Var. £m	Var. %		
Hosted services						
DfT Analytical Support	£1.52	£1.49	-£0.03	-2%		
Rail North Partnership	£0.43	£0.48	£0.04	9%		
	£1.95	£1.96	£0.02	1%		
Operational areas						
Rail and Roads	£0.49	£0.51	£0.01	3%		
Comms, Legal, Analysis and Strategy	£0.87	£0.92	£0.05	5%		
	£1.37	£1.43	£0.06	4%		
Business support						
	£0.59	£0.58	-£0.01	-2%		
	£3.90	£3.97	£0.07	2%		
YTD OPERATIONAL & BUSINESS SUPPORT EXPENDITURE - BY COST TYPE						
Actuals	Actuals £m	Budget £m	Var. £m	Var. %		
Staff	£1.41	£1.49	£0.08	5%		
Staff support	£0.10	£0.07	-£0.04	-53%		
Business infrastructure	£0.20	£0.17	-£0.03	-15%		
Professional services	£0.17	£0.20	£0.03	13%		
VAT	£0.08	£0.08	£0.01	9%		
	£1.96	£2.01	£0.05	3%		
YTD ACTUALS VERSUS BUDGET - BY FUND						
	Actuals £m	Budget £m	Var. £m	Var. %		
Hosted Services						
NPR Analytical Support Grant	£1.52	£1.49	-£0.03	-2%		
Rail North Grant & Contributions	£0.38	£0.42	£0.04	10%		
Trading Income	£0.05	£0.06	£0.01	9%		
	£1.95	£1.96	£0.02	1%		
Operational Areas & Backof						
Core Grant (inc. reserves)	£1.88	£1.93	£0.05	2%		
Other	£0.07	£0.08	£0.00	4%		
	£1.96	£2.01	£0.05	3%		
	£3.90	£3.97	£0.07	2%		
HR DASHBOARD						
Establishment						
Permanent/Fixed Term Posts	Permanent (< 2 Years)	Fixed-Term (< 2 Years)	Total Posts	HR KPI's - Year to Date		
Hosted services						
DfT Analytical Support	26	-	26	Corporate Sickness Level: 3.1%		
Rail North Partnership	18	3	21	Employee Turnover: 9.4%		
	44	3	47	% of Employees from an Ethnic Minority Background: 17.0%		
Operational areas						
Rail and Roads	18	-	18	% Employees declaring a Disability: 19.0%		
Comms, Legal, Analysis and Strategy	35	2	37	Gender Mix - % of Female Employees: 38.0%		
	53	2	55	Gender Mix - % of Male Employees: 62.0%		
Business support						
	16	-	16			
Total Establishment	113	5	118			
Strength (In Post)						
Appointed (Start Date Pending)	3	2	5			
Pending/Active Recruitment	-	-	-			
Vacant - On-hold	7	-	7			

3.2 Year to date expenditure is £3.90m, £0.07m (2%) below base budget.

3.3 There are underspends within Rail North Partnership, Strategy and Strategic Rail teams due to staff vacancies in the quarter, but recruitment is underway. Delays in discretionary activities within Strategy also contribute as an underspend.

3.4 DfT Analytical Support is currently over budget, mainly due to higher use of virtual machines for modelling, but this is being addressed. Business Support is overspent, primarily due to high recruitment costs within the period against an evenly phased budget. Much of the latter was due to a director level recruitment exercise.