



## Tyne and Wear Integrated Transport Authority Scrutiny Advisory Group

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Meeting to be held on Thursday 11 October 2012 at 1.00 pm in Committee Room 1, Sunderland Civic Centre

Membership: Cllr D Tate, Cllr N Padgett, Cllr M Graham, Cllr T Graham, Cllr S Fairlie, Cllr G Pattison, Cllr Sarin, Cllr M Green, Cllr R Porthouse, Cllr B Watters, Cllr D Ord

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ITA papers are available on the ITA website at [www.twita.gov.uk](http://www.twita.gov.uk)

Members are reminded to sign the attendance list.

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### AGENDA

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1. Welcome and Introductions

2. Apologies for Absence

3. Declarations of Interest

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer).

Please also remember to leave the meeting where any personal interest requires this.

4. Minutes of the ITA Scrutiny Advisory Group held on 12 July 2012 1 - 10

#### Key Items

5. Bus Strategy Delivery Project: Progress Update 11 - 28

Report and presentation by Tobyn Hughes, Director of Customer Services, Nexus.

6. Information Items

(a) ITA Annual report 2011/12 Scrutiny report 29 - 30

(b) ITA and ANEC responses to the Coast Franchise consultation 31 - 46

**7. Date and Time of Next Meeting**

The next meeting will be held on 14 February 2013 at 1.00 pm at Pedestrian Tyne Tunnel.

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**NOTE: Under the Local Government (Access to Information) Act 1985 members of the public have a right to inspect any non-confidential background papers used in the production of a non-confidential report to the Authority. Requests for information should be made to the Department originating the report.**

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## Tyne and Wear Integrated Transport Authority Scrutiny Advisory Group

12 July 2012  
(1.00 - 2.40 pm)

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### **Present:**

Councillor: D Tate (Chair)

Councillors: N Padgett, S Fairlie, G Pattison, M Graham, R Porthouse and B Watters

### **In attendance:**

<b>J Davison</b>	Policy and Information Officer
<b>G Robinson</b>	Nexus
<b>G Harrison</b>	Nexus
<b>J Fenwick</b>	Nexus
<b>G Grant</b>	TWITA
<b>L Camsell</b>	Democratic Services

#### **1. ELECTION OF CHAIR**

Councillor Tate was elected as Chair for the Municipal Year 2012/13.

#### **2. ELECTION OF VICE CHAIR**

Councillor Padgett was elected as Vice Chair for the Municipal Year 2012/13.

#### **3. WELCOME AND INTRODUCTIONS**

The Chair welcomed everyone to the meeting and those members and officers present introduced themselves.

#### **4. APOLOGIES FOR ABSENCE**

Apologies were received from Cllr T Graham (Gateshead) and Councillor Green (North Tyneside).

#### **5. DECLARATIONS OF INTEREST**

Those members who held a concessionary bus pass declared a general personal interest. After a brief discussion about the new Code of Conduct Councillors Pattison, Watters and M Graham declared a personal interest as members of a trade union.

## 6. **MINUTES OF THE PREVIOUS MEETING HELD ON 19 APRIL 2012**

The minutes of the meeting held on 19 April 2012 were agreed as a true record and signed by the Chair.

Matters arising:-

Minute 33 – Officers were currently looking to invest in two fleet vehicles to be used to observe and enforce parking restrictions at various schools.

Minute 33 - Members were given an update on KC 04; funding had now been received.

## 7. **TERMS OF REFERENCE AND WORK PROGRAMME 2012/13**

Submitted: Report by Policy and Information Officer (previously circulated and a copy attached to the Official Minutes).

J Davison presented the report the purpose of which was to update members on the revised title and terms of reference for the Scrutiny Advisory Group and to agree an outline work programme for 2012/13.

Member's attention was drawn to the new arrangements for Scrutiny agreed by the ITA committee at their AGM on 31 May 2012. The committee was to be called the 'ITA Scrutiny Advisory Group' and its membership was to change to include two opposition members. To date only one opposition member had been nominated therefore requests for further nominations had been made to the political Leaders from the five local authorities. The practise of substitute members had been discontinued.

Section 3.4 of the report detailed the four principles of scrutiny and provided members with a summary of the 2011/12 work programme.

In relation to the work programme for 2012/13 J Davison reminded members that they had already agreed to a smaller agenda to allow for more meaningful discussions.

When developing the work programme for 2012/13, members were advised to consider the following:-

- Provide evidence of good scrutiny outcomes based on the Centre for Public Scrutiny principles.
- Provide timely and purposeful challenge to the ITA.
- Address known resident concerns and feedback.
- Be strategic, i.e. focussed on Tyne and Wear issues.
- Enable meaningful involvement with partners, stakeholders and the public.
- Contribute to continuous service improvement.
- Understand the key role played by Councillors as community advocates.
- Ensure Scrutiny remains member led.

Section 3.6 gave details of suggested items for discussion:-

- 11 October 2012: Bus Strategy Delivery Project –progress.
- 14 February 2013: Pedestrian Tyne Tunnel refurbishment.
- 11 April 2012: to be agreed
- July 2013: to be agreed.

The work programme was mainly based on the work of the Integrated Transport Authority but at the time of the report the ITA had not committed to a full Work Programme for 2012/13. If a work programme was agreed by the ITA then any suggested items could be reviewed.

Transport Policy Update, part of this agenda, provided an overview of current national transport policy decisions, consultations, funding decisions and trials announced by government in the past year. Members were advised that a constant review be undertaken of transport issues to ensure timely items were considered. Further consultations may also be released just before the recess of parliament to provide issues to examine over the summer.

During discussion the following was raised:-

- On responding to a request from the Chair for an update on the Bus Strategy Delivery Project, J Fenwick replied that work had been undertaken to prepare a draft Quality Contracts Scheme (QCS). This was to be circulated for informal consideration by operators over the summer. A short while ago an initial outline partnership proposal from the North East Bus Operators' Association (NEBOA) had been received however officers were expecting additional information as to what the proposed partnership would offer and how it would work.
- J Fenwick suggested that depending upon progress being made and what would be discussed with the ITA in September, that the October meeting might be an appropriate time to discuss progress on the Bus Strategy Delivery Project which covered both the QCS and Operator Partnership options.
- The Chair suggested that members carry out a site visit to the Pedestrian Tyne Tunnel to view the works undertaken during the new refurbishments including new lifts at each end of the tunnel and improved toilet facilities. Cllr Fairlie asked for a written list of all improvements.

**RESOLVED** – the Advisory Group agreed:

- i) To note the revised title and Terms of Reference.
- ii) To the approach to single item agendas.
- iii) That 'Delivering the Bus Strategy' be the main item for discussion at the meeting in October.
- iv) That members undertake a site visit to the Pedestrian Tyne Tunnel in February 2013.

## 8. **TRANSPORT - GENERAL POLICY UPDATE**

Submitted: report by Clerk to the ITA (previously circulated and a copy attached to the Official Minutes).

G Grant presented the report, the purpose of which was to provide a brief overview of current national transport policies and outline some of the wider national policies that have a direct link to transport and the ITA's ability to meet its objectives.

The report included details that may have interested members across various themes i.e. aviation, elements of road (both local and strategic), public transport and two emerging policy positions with close links to transport.

### **Aviation**

A scoping paper was released in March 2011. The government was a) drafting a consultation document and b) examining whether or not future aviation policy would focus on regional or super hubs.

It was anticipated that the two documents would be available in the summer.

### **Pipeline schemes**

North Tyneside had been successful in getting funding to design the A19/A1058 Coast Road junction improvement scheme, this means the authority can move forward with; full design, consultation and statutory processes. Traffic congestion was still a problem at peak traffic times.

### **City Deal**

Included in the Newcastle City Deal were plans to design up a junction improvement on the Western Bypass, other potential transport investment could come from an accelerated development zone.

### **Development Pool**

There was only one Tyne and Wear scheme for consideration in the Development Pool – a new bridge over the River Wear, this was awarded £82.5m. Works were due to commence in 2012 with a completion date of autumn 2015.

### **Pinch Point funding – announced November 2011.**

The chancellor's autumn statement included a £220m fund to implement road schemes across England that would reduce congestion at pinch points on the strategic road network. The specific criteria included that all potential schemes had to be deliverable on land owned solely by the Highways Agency. Authorities across the region had worked together with the Local Enterprise Partnership to discuss possible schemes; 4 schemes were finally identified and submitted for consideration for potential funding.

**A Green Light for Better Buses** – a more detailed report was included elsewhere on the agenda.

#### **Local Major Scheme Funding: January 2012.**

This is a consultation paper outlining different options for a new system of prioritising and funding local major schemes after the end of the current Spending Review period. Members were asked to note that this consultation focused on potential changes to the old 'Regional Funding Allocation' system. It does not propose changes to format of delivery of transport schemes – this would still lie with the local highway authority /integrated transport authority.

The prioritisation of local major schemes would be devolved to the 7 authorities through a 'Local Transport Body'. Indicative allocations would be published sometime in August.

#### **Making Open Data Real – August 2011 onwards**

This was a consultation on a proposed approach for the government's Transparency and Open Data Strategy. The consultation was launched in August 2011 and was about not restricting public data that could or should be made available to the public e.g. traffic levels and journey times. Section 8.2 of the report detailed various sets of transport data already published by government organisations.

#### **Health and Social Care Act**

Section 9.1 provided background details of the Health and Social Care Act that had received Royal Assent on 27 March 2012. This included the establishment of Health and Wellbeing Boards.

Locally, Councils had created shadow Health and Wellbeing Boards and were developing ways of working with emerging local policy priorities. Approaches encompass, to varying degrees, all of the wider determinants of health, such as economic and physical conditions where ITA/Nexus has a role; in both securing local bus services and continued involvement from earlier partnerships, projects and data sharing. Creating the economic and physical conditions which enable people to enjoy good health and positive wellbeing requires active consideration of how people connect with each other, across communities, into the labour market and to access sport, leisure and recreation as well as NHS services.

Given the well established impact of access to services and choice of travel mode on health and wellbeing, members were asked if they would wish to consider at a future meeting and or Policy Seminars how it could help align policy and activity to support the development of Health and Wellbeing Board – whilst recognising that different districts would have different formats and priorities for the new Boards.

#### **Discussion/comment**

- Several members raised the issue of mobility scooters and bicycles on the Metro system.

A question was asked as to whether the Metro ban on mobility scooters would be lifted under the Health and Social Care Act. G Robinson advised that mobility scooters were still viewed as a health and safety risk; unlike electric wheelchairs the scooters were not able to turn in a tight circle and could only go forwards or reverse on and off Metro vehicles. However, there were other options available to users of mobility scooters as some taxi company's had begun to use larger cabs to facilitate carriage of the scooters. There were also Shop Mobility outlets situated beside certain Metro Stations that provided practical access to mobility scooters.

A member commented that the ban restricted people's ability to travel freely. G Robinson explained that Metro had a primary duty to consider the safety and welfare of its customers: there were no reasonably practicable measures available to reduce the level of safety risk associated with the carriage of mobility scooters on Metro to an acceptable level.

Referring to bicycles, a member asked if any consideration had been given to accommodating bicycles on the Metro now that stations were being refurbished. It was explained that there was a health and safety issue over how a cyclist would move from underground to street level and stations like Haymarket and Monument did not have the capacity to accommodate bikes. A better solution would be improved integration of cyclists at Metro Stations but facilities such as secure cycle parking and provision of lockers would have to be improved. Options were being pursued through the Local Sustainable Transport Fund.

- In response to a request from the Chair for a report on the issue, it was suggested that the February meeting would be an opportune time to receive a report from the Tyne and Wear Bicycle User Group, as it would tie in with the refurbishment of the cyclist tunnel report.

**RESOLVED:** The Advisory Group agreed to -

- Note the report.
- Receive a report from the Tyne and Wear Bicycle User Group at its February meeting.

## 9. **RAIL UPDATE**

Submitted: Report of Clerk to the ITA and Director General, Nexus (previously circulated and a copy attached to the Official Minutes).

G Harrison outlined the report which gave details of recent developments across the rail industry and explained the role of nexus where appropriate.

### **High Speed Rail 2 (HS<sup>2</sup>) – January 2012**

The report explained the latest position in respect of the Hybrid Bill and the fact that it was now expected that the Bill required to allow works to commence would not now receive Royal



Assent before 2013. The Bill was not progressing as it should although the official line was that the project was proceeding.

The programme of works had so far not been altered and indicates the commencement of high speed train services from the region in around 2032, using the existing upgraded East Coast Main Line as far as South Yorkshire. The details of the intended connection from Leeds onto the East Coast Main Line were of particular importance to Tyne and Wear (and other areas). Those who worked in the industry agreed with the concept of high speed rail but at the same time felt that each years' delay meant another year before HS2 reached the north east.

Officers from Tyne and Wear ITA would continue to work with other areas as part of the Eastern Network Partnership thus establishing consistent and coherent evidence and support for the future expansion of high speed rail and corresponding improvements to the East Coast Main Line.

### **Reforming our Railways – March 2012**

The Command Paper contained the Dept. for Transport's proposals to address the issues outlined in the McNulty Review of the rail industry. By working collaboratively it outlined how it intended to make annual savings of between £2.5–3.5bn by 2019. The proposals were set out in section 3.1 of the report.

The Dept for Transport had also published two separate consultation papers on fares reform and devolving responsibilities for rail services to local authorities. Both consultations closed on 28 June 2012.

Referring to the national level of savings envisaged G Harrison commented that not everyone believed that the reductions could be achieved and the report was still controversial.

### **Rail Decentralisation - March 2012**

The report was about the potential proposals for some or all of the specification and administration of the next Northern Rail franchise to be devolved to a regional or local level. This could offer the opportunity for regional stakeholders to have a greater say in the quality and quantity of local rail services, subject to the transfer of adequate funding to support what is a loss making franchise but with important economic, social and environmental benefits. Members were informed that ANEC had put together an overarching report and all Local Enterprise Partnerships had stated that they did not want to include the Trans Pennine Service.

Members would receive a progress report in due course. A response to the consultation was submitted to the Dept. for Transport by the North East Local Enterprise Partnership on behalf of the 7 authorities in the North East.

### **Rail Fares and Ticketing – March 2012**

This fairly controversial 'initial' consultation invited views on the potential for new 'shoulder' peak fares and higher peak fares being introduced to reduce the pressure for major rail

capacity enhancements to meet peak hour demand, which basically means that higher fares would be charged at those times when most people travel. The strategy also exercised the benefits of smart ticketing technology to offer new products such as season tickets geared towards people who do not work a standard 9-5 five day week (and therefore may not benefit from the existing season ticket arrangements).

### **Trial of Trams – May 2012**

The implementation of the South Yorkshire tram train pilot, at a cost of £58m signalled the Dept for Transport's intentions to proceed with tram train technology as a possible solution to providing flexible local rail services which could be integrated with neighbouring light rail networks. If successful, the technology could have beneficial prospects for the future configuration of the next generation of Metro services enabling lines to branch off into city centre streets.

### **Passenger Assist**

The Association of Train Operating Companies has introduced a new facility known as Passenger Assist in an attempt to address the issues whereby disabled passengers require support/assistance to make train journeys. The package has been designed with input from rail users who have disabilities in an attempt to improve levels of customer service and passenger satisfaction. The new booking system will be more versatile providing staff delivering assistance at stations with more details of individual customers' requirements. Modern technology will be used so that emails and texts, combined with internet access for staff, will provide updated information, particularly useful when there are service delays or cancellations.

### **Newcastle Central Station**

The report was about the £9m Network Rail station improvement initiative that will bring about upgraded passenger facilities, including shops, lifts and escalators within the confines of a Grade 1 heritage status. The Metro station would be refurbished and the surrounding streets outside the station would be improved by NE1 and Newcastle City Council who were seeking funding to provide new facilities for pedestrians, drivers, cyclists and visitors to the city. The sum total of the three improvement initiatives will be to provide a higher standard of passenger facilities for more than 7 million station users every year.

### **InterCity East Coast Franchise Consultation**

The Dept. for Transport had recently published a consultation seeking views from stakeholders on the minimum requirements the Government should set in the InterCity East Coast franchise specification. This will result in the operation of the InterCity East Coast line provided by a private operator (not necessarily from the UK).

The winning bidder will need to deliver a number of different improvements including in relation to service quality and provision of information to customers, particularly during times of planned engineering works and unplanned disruption.

The successful bidder will be expected to oversee the introduction of new InterCity Express trains on the route. The Dept. for Transport will also want to hear ideas from bidders on how they will improve stations and make them more attractive gateways to rail services.

The consultation closes on 18 September 2012 followed by a summary of consultation responses produced by the Dept for Transport. The Invitation to Tender will be published in January 2013 and the winning bidder announced in August 2013. The new franchise is planned to start in December 2013.

Members were informed that Nexus and ITA Officers would continue to liaise with rail industry representatives and the rail division at the Dept for Transport.

### **Comments/Discussion**

- A member referred to the 'Reforming our Railways' report and health and safety issues if reforms went ahead. It was initially suggested that members receive a report from a Trade Union representative, thereby allowing members to receive views from those who worked in the industry. The Chair reminded members that it was within the committees' remit to invite speakers to address members.
- Referring to the InterCity East Coast Franchise, members requested that they be sent a copy of the consultation document and, Scrutiny look at a possible response that could be submitted to the ITA.

**RESOLVED:** That the Scrutiny Advisory Group agreed to –

- i) Invite a representative from the relevant Trade Union to address members on their response to the proposals contained within the McNulty Review of the rail industry.
- ii) J Davison, Policy and Information Officer, to circulate a copy of the consultation document to all members.

### 10. **DATE AND TIME OF NEXT MEETING**

The next meeting of the ITA Scrutiny Advisory Group was to be held on Thursday 11 October 2012, 1.00pm Sunderland Civic Centre.

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REPORT FOR INFORMATION

**DATE:** 11<sup>th</sup> October 2012  
**SUBJECT:** Bus Strategy Delivery Project: Progress Update  
**REPORT OF:** Director of Customer Services, Nexus

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Not confidential.

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## PURPOSE OF REPORT

To update Scrutiny Advisory Group on progress being made with the Bus Strategy Delivery Project.

## RECOMMENDATIONS

Scrutiny Advisory Group is recommended to receive and consider the report and accompanying presentation, and to ask any questions arising.

## BACKGROUND DOCUMENTS

ITA Report 'Bus Strategy Delivery Project Update' as submitted to the 27<sup>th</sup> September '12 meeting (see copy attached)

## CONTACT OFFICERS

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## IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive

**1**

**Executive Summary**

Having completed the work of drafting proposals for a Quality Contracts Scheme (QCS) Nexus has embarked on an informal consultation process with stakeholder bodies that will last until 24<sup>th</sup> October 2012.

In the meantime discussions are continuing with operators through the North East Bus Operators' Association (NEBOA) regarding the development of an operator partnership.

It is intended these strands of work will be drawn together and analysed so that a recommendation on how best to take the Bus Strategy Delivery Project forward can be submitted to a later meeting of the ITA.

These matters are expanded on in the accompanying ITA report and its appendices. There will also be a Power Point presentation given at the meeting.



**DATE:** 27<sup>th</sup> September 2012  
**SUBJECT:** Bus Strategy Delivery Project Update  
**REPORT OF:** Director General, Nexus and the Acting Clerk to the Authority

Not confidential

#### PURPOSE OF REPORT

To update Members on progress made in the Bus Strategy Delivery Project.

#### RECOMMENDATIONS

Members are recommended to :

- a) Note the position regarding development of the draft Quality Contracts Scheme (QCS), including the high-level summary of the contents of the working draft and the extension of the informal consultation period;
- b) Note the developing discussions regarding a potential Operator Partnership;

#### BACKGROUND DOCUMENTS

Tyne and Wear ITA and Nexus Bus Strategy 2009-2012

<http://www.nexus.org.uk/sites/nexus.org.uk/files/documents/page/Bus%20Strategy.pdf>

Draft Tyne and Wear ITA Bus Strategy 2012-

<http://www.nexus.org.uk/bus/strategy>

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**IMPACT ON OBJECTIVES**

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive



<b>1</b>	<b>Executive Summary</b>
1.1	Nexus completed its development of a draft QCS proposal in July 2012. The draft document was sent to local bus operators, trade unions and adjacent Local Transport Authorities for informal consultation.
1.2	The Director General has extended the deadline for responses to the informal consultation from 12 September until 24 October 2012.
1.3	Since the last update to the ITA, a significant amount of engagement with NEBOA (the North East Bus Operators' Association) has taken place regarding the development of an Operator Partnership which after further development work, may deliver a partnership that is satisfactory to all parties.
1.4	It is currently intended that the results of an analysis of the different options for the Bus Strategy Delivery Project, along with an appropriate recommendation, will be presented to the ITA before the end of the calendar year.
1.5	As a result of the extended consultation period, the revised Bus Strategy document will be presented to the ITA at its November meeting.
<b>2</b>	<b>Introduction and Background</b>
2.1	<p>At its meeting in November 2011, the ITA instructed Nexus to:</p> <ul style="list-style-type: none"> <li>a) prepare a draft QCS proposal for Tyne and Wear; and</li> <li>b) explore with bus operators and District councils the scope for developing meaningful quality bus partnerships as a possible alternative delivery route for better buses.</li> </ul> <p>The parallel workstreams are being taken forward by Nexus through a project known as the 'Bus Strategy Delivery Project' (BSDP).</p>
2.2	The key ITA output objectives to be delivered by the BSDP are to grow bus patronage and to maintain or grow accessibility, as confirmed at the ITA meeting in May 2012.
2.3	<p>At its meeting in May 2012 the ITA endorsed the intention of the Clerk and the Director General to:</p> <ul style="list-style-type: none"> <li>• complete preparation of a QCS proposal in draft, including consultation with local bus operators, trades unions and adjacent Local Transport Authorities;</li> <li>• hold further discussions with bus operators regarding the development of an Operator Partnership proposal; and</li> </ul>



	<ul style="list-style-type: none"><li>bring a further update to the ITA at its meeting in September 2012</li></ul>
2.4	Members are reminded that the ITA has not determined any course of action with regards to the implementation of any aspects of the BSDP; at this point in time no recommendation has been made, nor decision taken by the ITA, to implement a QCS or an Operator Partnership.
<b>3</b>	<b>Draft Quality Contracts Scheme Proposal</b>
3.1	Nexus completed its development of a draft QCS proposal in July 2012. A copy of the Executive Summary is shown in <b>Appendix A</b> . Please note that this draft document is attached for information purposes only, and the ITA's approval or endorsement of the draft QCS is not being sought at this time.
3.2	As intended, the full draft document was sent to local bus operators, trade unions and adjacent Local Transport Authorities for informal consultation on 1 <sup>st</sup> August.
3.3	In response a number of requests for further information have been received from bus operators and/or their legal advisors. One comment from a legal advisor was that, in view of the detailed content of the draft more time was needed in order for their client to be able to submit a full response. As a result the Director General extended the deadline for responses to the informal consultation from 12 September until 24 October 2012.
3.4	It is increasingly apparent that, should the ITA determine to proceed with the development of a QCS at any point in the future, there is a risk that at least one bus operator may legally challenge such a decision.
3.5	Dialogue is taking place with the trades unions and adjacent local authorities regarding their views on the draft QCS Proposal. A productive meeting has been held with the Unite union.
3.6	When informal consultation feedback to the draft QCS Proposal has been received and considered, Nexus will amend the draft Proposal as appropriate. It is then intended to carry out a comparison between the different options for the Bus Strategy Delivery Project to determine the most viable, effective and sustainable method for delivering bus service improvements. It is currently intended that the results of this analysis, along with an appropriate recommendation, will be presented to the ITA before the end of the calendar year in order to inform the budgeting process for the financial year 2013/14.



3.7	Various articles and comments relating to the draft QCS have appeared in local newspapers, the public transport trade press and online media. Given the importance of the issue, widespread debate is welcomed, and in order to facilitate meaningful discussion further information about the draft Proposal is contained in question/answer form in <b>Appendix B</b> .
3.8	As consultation over the new ITA Bus Strategy is taking place in parallel to the draft QCS, the time extension equally applies to that document. Consequently the revised ITA Bus Strategy will be presented to the ITA for its consideration at its November meeting.
<b>4</b>	<b>Operator Partnership Discussions</b>
4.1	Since the last update to the ITA, a significant amount of engagement with NEBOA (the North East Bus Operators' Association) has taken place regarding the development of an Operator Partnership.
4.2	On 28 <sup>th</sup> June representatives from NEBOA met ITA Members at a Policy Seminar meeting at which they presented their initial thoughts over how a partnership agreement might be configured. The meeting was positive in its tone. Subsequent to this meeting the Director General wrote to the chairman of NEBOA setting out some areas where further clarification was needed.
4.2	A series of meetings followed between Nexus and NEBOA, backed up by correspondence. This has led to the initial development of protocol proposals, covering the key areas of governance, fares and ticketing, and network.
4.3	Detailed work is on-going by all parties to refine the partnership proposals. NEBOA is holding regular meetings of its members, and Network One (the Multi-Operator Ticketing company covering Tyne and Wear whose Board comprises transport operators) has undertaken to develop new multi-operator fare products to contribute to the proposals.
4.4	A key area of debate is the level of control that a partnership board would be able to exert over bus services. Initial proposals from NEBOA put forward a concept of a Partnership Board that would offer greatly improved consultation and dialogue over proposed changes to bus services and fares, and scrutiny over performance. Nexus has been encouraging the concept of joint ownership of the bus 'product', whose delivery would be overseen by the Partnership Board. This would mean that the Partnership Board itself would review its own performance, and would



REPORT FOR DECISION

	<p>generate proposals to change the product as appropriate. By this mechanism all partners would be able to influence directly the design and delivery of the bus system in order to meet their own objectives – including those of the ITA.</p>
4.5	<p>The Director General has recently written to NEBOA highlighting a number of concerns regarding the work so far, which falls short of initial expectations. Nevertheless it remains possible that, after further development work, a proposal can be developed for a partnership that is satisfactory to all parties. The parallel process to develop both a draft QCS Proposal and an Operator Partnership therefore is continuing, subject to the constraints set out in the 'Next Steps' section of this report.</p>
<b>5</b>	<b>Next Steps</b>
5.1	<p>In early correspondence from NEBOA, a timescale was envisaged in which draft terms of reference for an Operator Partnership would be developed by 30th October 2012. Whilst much work remains to be done to achieve this milestone date, Nexus considers that it is vitally important to be in a position to carry out a comparison between the proposed Operator Partnership and the draft QCS Proposal during November. This would allow the Director General to recommend a preferred approach to the ITA before the end of the calendar year, in order to inform the budgeting process for the financial year 2013/14.</p>
5.2	<p>Further discussions will therefore take place with NEBOA members over coming weeks in order to make as much progress as possible.</p>
5.3	<p>As a result of the extended consultation period, the revised Bus Strategy document will be presented to the ITA at its November meeting.</p>
<b>6</b>	<b>Potential impact on objectives</b>
6.1	<p>Successful delivery of the Bus Strategy is intended to:</p> <ul style="list-style-type: none"><li>• support economic development and regeneration and safe and sustainable communities by maintaining or growing access to key facilities, services and employment sites by public transport;</li><li>• address climate change by increasing the use of public transport and thus reducing harmful emissions generated by use of the private car, and by promoting the use of fuel-efficient vehicles.</li></ul>



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**Appendix A: Draft Quality Contracts Scheme Executive Summary**

**EXECUTIVE SUMMARY**

**Vision and Objectives**

1. This Proposal for a Quality Contracts Scheme (“QCS”) for Tyne and Wear is designed to ensure that buses, which are an essential public service, provide the best possible value for money and serve the Tyne and Wear market to benefit its residents, workers and visitors, thereby supporting the growth of the local economy.
2. It is intended to deliver the Integrated Transport Authority’s (ITA) vision ‘to ensure that buses play a central role in providing a simple, affordable and integrated public transport system in Tyne and Wear’ by achieving four key objectives, three of which are identified in the draft Bus Strategy:
  - Arrest the decline in bus patronage
  - Maintain or grow network accessibility
  - Deliver better value for public money
  - Improve the quality of local bus services
3. Present conditions are seeing a continuation of the long-term decline in bus patronage (in part influenced by sustained fare increases above the level of inflation), a reduction in the size of the network operated, and a growth in public funding to maintain local accessibility. The Competition Commission’s recent study into the local bus market concluded that limitations on competition have led to an adverse effect on Competition whose value it placed at between £115 million and £305 million a year nationally
4. Informal local consultation has identified widespread stakeholder support for change in the local bus market in Tyne and Wear; however the incumbent bus operators are generally opposed to the introduction of a Quality Contracts Scheme.

**Network**

5. The proposed area for the draft QCS Proposal will follow the boundary of Tyne and Wear, incorporating the five Local Authorities making up the ITA area. In addition, a



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number of services and fare options will extend into County Durham and Northumberland.

6. Under the Proposal the network is split into two distinct types of routes, which are defined by hours of operation and frequencies. 'Direct' routes have guaranteed hours of operation and a minimum 10 minute standardised frequency during Monday to Saturday daytimes and a minimum of 30 minutes frequency outside these times. These routes will be specifically marketed and promoted as 'easy to use, turn up and go services' which will promote patronage growth. 'Local' routes and networks operate at varying frequencies and operating days but typically with minimum hourly frequency.
7. The Proposal provides significant accessibility improvements to local residents in all Tyne and Wear Local Authority areas, particularly in the ability to access to frequent bus services during the day.

### **Fares and Ticketing**

8. The Proposal includes single tickets that are zone based and season tickets (for multiple journeys) that are valid on all zones across the proposed QCS network including parts of Northumberland and Durham. The fare structure, including products and pricing, will be exactly the same for all bus services, and Metro fares will change to be the same as bus fares. The adult fare for multi-mode travel will initially be priced at a premium, although this premium is proposed to be removed after the first year.
9. Season tickets for 16 to 18s and Student markets will be provided on an all zone basis and valid on all modes; there is no multi-mode premium proposed for 16 to 18s and Students.
10. The Proposal impacts approximately 93 million fare paying bus journeys per annum. The net impact is a patronage and revenue neutral position, and 80% of customers will pay fares broadly in line with current levels (within 3% of the current price for a single / day ticket or within 5% for a season ticket). The geographic location of the 'winners' and 'losers' on both Bus and Metro is fairly evenly spread across the QCS area with no single area being disproportionately affected relative to overall demand.
11. Smart ticketing will be available on all buses and will include fare capping, providing customers with a 'best price guarantee' where they pay single fares as they travel, but their daily fare is price capped to the cost of the equivalent day ticket.



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Differential pricing will be applied with cash products charged at a premium to Smart products.

### Information and Branding

12. The identity for buses will use the already established red 'Buses' brand across all customer facing marketing and information provision, including bus liveries. This will promote simplicity and consistency across the network, although future developments may include route specific marketing.
13. Tickets will be promoted in all relevant literature and on bus stops.

### Standards and performance

14. A Customer Charter will set out the service commitments and performance standards that customers can expect, and will provide information on how to contact Nexus where customers are not satisfied.
15. Service commitments will include extended Real-Time Information, Smart ticketing, easy to identify and quality vehicles, a central point of customer contact and consistent or improved standards of customer service and care and improved marketing.
16. Performance standards will consider reliability, punctuality, and customer satisfaction. Customer satisfaction will reference information provision, journey ambiance and cleanliness, safety and security, ticketing, driver and staff availability and conduct and overall satisfaction.
17. A Bus Performance Regime will be embedded in each contract to incentivise operators to deliver a high quality, high value for money service. The regime focuses on measures that are most important to passengers based on market research. The regime will penalise poor performance and incentivise good performance, and will influence whether operators are eligible for contract extensions.

### Procurement

18. The QCS scheme area will be divided into 22 contracts, varying in size from 10 to 95 vehicles to provide opportunities for operators of all sizes. All contracts will be tendered at the same time and bidders will be entitled to "bundle" contracts i.e. bid for combined contracts consisting of more than one contract. This will allow operators of all sizes to enhance efficiencies across contracts.





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19. Contracts will be awarded on the basis of the most economically advantageous tender, considering both price and quality.
20. Contract durations will be 5 years (comprising of 3 year fixed period plus an extension of up to 2 years) or 10 years (7 year fixed period plus an extension of up to 3 years).

### **Governance**

21. Under the Proposal an ITA Bus Sub Committee, with delegated powers, will be responsible for the network of cross-boundary services. Durham and Northumberland will have representation on the Committee in an advisory capacity.
22. Local Bus Boards will be established, accountable to the ITA Bus Sub Committee and responsible for the networks of services that operate wholly within each District (Gateshead, Newcastle, North Tyneside, South Tyneside and Sunderland).
23. An annual reporting cycle, based on the budget setting and levy processes, is proposed. This will allow for transparency of decision-making, and a consultation process that includes customer involvement. A procedure for emergency timetable and scheme variation outside the annual planning cycle will allow for any exceptional or extraordinary events in order to continue delivering the QCS bus service within available resources.

### **Impact on Bus Company Employees**

24. TUPE will be deemed to apply where quality contracts come into force, therefore existing employees who are engaged in providing the bus services will automatically switch to the new operator of the services on their existing terms and conditions of employment. The Quality Contracts Schemes (Pension Protection) Regulations 2009 protect transferring employees who are members of an occupational pension scheme such that any new operator is obliged to provide the same or broadly comparable pension benefits.
25. The ITA will seek to discuss the allocation arrangements with incumbent operators and employee representatives to ensure that those affected have the best possible opportunity to express their views and in order to establish arrangements which are likely to be fair, workable and effective in practice.

### **Affordability**

26. The Proposal is affordable within current resources, provided that the financial assumptions set out within it hold good. ITA and Nexus are required to set a



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balanced budget in advance of each financial year. Any surplus or deficit arising from the QCS will be taken fully into account within the budget setting process. To provide for any unforeseen circumstances arising, an appropriate level of risk contingency has been included within the affordability model.

27. Nexus/ITA has adopted a Gross Cost approach (reflecting costs plus operator margins) to the tendered contracts within the proposed QCS. The proposal is that the ITA will have sole control of the fare structure and pricing approach to ensure integration, and therefore also retain fare revenue risk.

### **The Public Interest Test Criteria**

28. The ITA must be satisfied that 5 Public Interest Criteria are met before it may make a Quality Contracts Scheme.
29. This Proposal is currently expected to satisfy the first four public interest criteria, and the fifth criterion (of proportionality) will be assessed once further informal consultation on this Proposal has been completed.

### **Next Steps**

30. Should the ITA determine, following further development of the Proposal, to progress a QCS, the proposed schedule is:
  - Month 1 to Month 7 : Formal consultation and evaluation of responses
  - Month 8 –Month 10 : Quality Contract Scheme Board consideration and findings
  - Month 11 – Month 17 : Procurement of contracts
  - Month 18 –Month 24 : Transitional period
- Post Month 24 : Contract commences



## Appendix B: Questions and Answers

*What's wrong with bus services today?*

- Each year fewer people choose to use buses in our area. Despite investment in new buses and waiting facilities, good levels of punctuality, and high customer satisfaction scores, the number of people choosing to pay to travel by bus has fallen by 15% over the past ten years. We believe one reason for this is that bus fares have risen above inflation during that time making them seem expensive, and another is that buses can be difficult to understand and use. Most bus services in Tyne and Wear are operated by three large companies, each with its own set of fares and tickets. Just finding out how much a trip will cost can be a time-consuming and frustrating process.

*If this is the case why do surveys by the independent watchdog 'Passenger Focus' show Tyne and Wear has the highest satisfaction scores in the country?*

- We think that the quality of the bus service in Tyne and Wear is generally high compared to some other parts of the country – something that we are proud of and are pleased to see is recognised by passengers. This reflects the investment that has been put into the local bus system in recent years. But high scores from existing customers are only one part of the story; to have a thriving bus system we need to retain those customers and attract new ones. Having a very happy customer is great, but if they are the only customer left on the bus then we have a problem!

*Why haven't the ITA and Nexus done something about this before?*

- The bus industry was deregulated in 1986; a new law prevented local councils (whose interests the ITA represents) outside London from operating local bus services or telling the new private companies what routes or timetables to operate, what fares to charge, and what quality of service to provide. It is only relatively recently that changes to the law have introduced new ways for local authorities and bus companies to work together in a more meaningful way.

*So has the ITA decided that a Quality Contracts Scheme is the only way to solve the problem?*

- No. We are looking at the respective merits of two new models for local buses – a partnership with bus companies and a Quality Contracts Scheme (QCS). The ITA has asked Nexus to investigate both of these options fully to see which would provide the best way forward. As a result Nexus is now well on its way to finishing a draft QCS, and it is also heavily engaged with the bus operators to put a partnership proposal together. The ITA will consider both of those options in due course, and will choose the best way forward when it has enough information on both.

*Why would a QCS improve matters for passengers?*

- Under the QCS proposal we are drafting, the local public transport system would act as a single network. A single simple fare structure would apply no matter who operated the service, and routes would be planned to give a more consistent



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offering based around a high frequency 'core' which would include Metro. Information (about services and also about how they are performing) would be more straightforward to use, and simpler to access. The money earned from fares would be used by the ITA (a public body) to pay for the services, with more money invested back into providing the best possible public service as a result.

*Will everyone benefit from cheaper fares in the QCS proposal?*

- We are proposing a simpler fare system with a small number of universal zones. Changing to the new system means that some fares go up a small amount, and others down a small amount, but we expect the average amount people pay to stay the same.

*Will a QCS proposal mean higher bills for local taxpayers?*

- No. This year £62 million of public money will be put into the bus system in Tyne and Wear. That is a significant amount of money already - it accounts for 42% of the bus companies' total income. Any proposal we make will be affordable without any extra public subsidy; in fact with public funding under severe pressure we believe that we can achieve savings for taxpayers through our proposals.

*How can the improvements you're proposing possibly be affordable?*

- The Tyne and Wear bus market as a whole is highly profitable today; our analysis of operators' public accounts suggests the average operating margin (profit) is in excess of 12% and one company this year said it achieved 23%. We believe that a fairer system would allow bus companies and their shareholders to earn an acceptable rate of return, whilst also allowing more investment to be put back into the local bus system to make improvements for passengers.

*Would a partnership bring the same improvements?*

- The main focus of the Bus Strategy Delivery Project is to make buses more attractive so more people use them. We know the bus operators share this view and so we hope that by working together in partnership we can achieve a comparable result – but this is likely to involve compromises along the way.

*Isn't a QCS just a way of cash-strapped local councils taking control of buses to grab successful companies' profits?*

- No. We believe the public see buses as a public service and that's how they should be planned and run, as is the case across Europe and in London. Private bus companies will bid for work within a QCS and can still make healthy profits from operating routes under contract, as they all do in other cities. At the same time we can make sure the taxpayer gets the best possible value for the £62 million it currently puts into buses in Tyne and Wear, 42% of the total income of the private companies.



*Won't local councils and the ITA be burdened by a revenue risk of £1 billion over the next 10-years if a QCS goes ahead?*

- The level of 'risk' that has been suggested by some commentators only occurs if nobody pays to board a bus in Tyne and Wear for the next decade! Nexus has managed this type of revenue risk on Metro for 30 years. The income that the bus companies currently receive, from fares plus public funding, is more than the cost of the QCS network we are proposing. This means that a QCS proposal has potential to return money into local buses to improve services.
- The 'risk' occurs if our estimates prove to be wrong and the income does not cover the cost of paying for the service. But each year the ITA has to set a balanced budget. So if the income does reduce below the estimated amount then the ITA will have to take action in its budget to make sure costs are reduced too. This is exactly the same process that would be carried out by a private company – the difference is that, as with other public services, the public will have an opportunity to see and influence proposals as they are made. But nevertheless those tough decisions will be made.

*What will happen if councils have to cut their funding for buses?*

- We have already built savings for the taxpayer into our proposals. Even so, there is a possibility that the public funding available to support buses will need to be reduced further. Under any scenario – today's market, partnership, or a QCS – this would lead to cuts in services and/or increases to fares. The difference under our proposals is that, as with other public services, the public will have an opportunity to see and influence proposals as they are made, rather than publicly unaccountable bodies making those decisions based on purely commercial factors.

*Will these plans put the jobs of thousands of bus company employees at risk?*

- No. We will make sure that employees are treated fairly. The 'Transfer of Undertakings (Protection of Employment) Regulations known as 'TUPE' applies on transfer to the operator providing the bus services where they work. TUPE protects employees' terms and conditions of employment when a business is transferred from one owner to another, including pay, continuity of service and any other rights. The law governing QCSs specifically also covers pension rights. Transferring employees have the right to acquire pension benefits that are the same as, broadly comparable to, or better than those they have under their original employment contract. We are also working with the trades unions to ensure that any concerns their members might have are addressed throughout the process.

*Isn't this just a ploy to force more people onto the Metro?*

- No – but integrating all public transport into a single network makes sense for buses and Metro. Our job is to help people get safely from A to B, via the shortest possible route and for the best possible fare. All public transport in our area – bus, Metro, Ferry and Rail – is supported by significant amounts of public funding, so in a QCS there is no point in artificially forcing people to switch from one form of public



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transport onto another. Our QCS proposal would make it far easier to interchange so that people aren't inconvenienced just because they need to travel on several forms of transport.

*Surely bringing buses back under public control will create unnecessary bureaucracy?*

- We already employ staff without whom the bus system would not function – for example managing bus stations, maintaining stops and bus shelters, printing timetables and information, selling season tickets, and managing hundreds of contracts for socially necessary services like school buses. It is possible that a QCS would need a small number of extra staff to support it, but we have built this possibility into our proposals. On the other hand it will make marketing buses, providing information, dealing with customer enquiries and selling tickets much simpler and more efficient.

*It's been 25 years since bus deregulation; does Nexus still have the right level of expertise to plan bus services?*

- We already plan hundreds of bus services - both to secure vital local links when the commercial market does not provide them, and for specialist services like school buses. When bus companies are planning to make changes to their commercial services, they sometimes ask us for our view on the impact of the changes they are proposing because of our local knowledge. We continually develop our staff to make sure that we pass these specialist but essential skills from one generation of planners to the next.

*Why do you refer to the £62 million as a subsidy, when about £40 million of it is payment for a specific service - concessionary travel [free travel for older and disabled people]?*

- Whether you call it subsidy or payment, it is a fact that public funds will contribute approximately £62 million to the bus system in Tyne and Wear this year. We make no judgement over whether this amount is too much or too little, just that this is the cost to the public of the overall service that is currently provided. The more important question is whether better value for the taxpayer could be achieved for this amount of money. We believe that by introducing competition for it through a competitive bidding process we would achieve this.

*Planning bus services is a highly specialised activity – how can local councillors possibly be expected to do this?*

- The role of councillors (or in this context, ITA members) is to set policy and to provide the resources to deliver the policy. It is the job of their officers to act in an Executive capacity to deliver services within the policy remit, and within the budget that has been set. Under a QCS Nexus would carry out this role.

## Scrutiny Advisory Committee - A Review of 2011/12

“... Giving Advice  
and Holding to  
Account ...”

The Scrutiny Committee was established in 2003. Members are appointed annually by the five Tyne & Wear Districts. Each District appoints two Councillors. To ensure independent advice - and visible separation between scrutiny and those being scrutinised - Councillors are not members of the ITA. The Scrutiny Committee appoints its own Chair and Vice Chair and agrees its own work programme. The role of the committee can best be described as giving advice and holding to account.

As part of the new arrangements 4 meetings were held at quarterly intervals during 2011/12 at different venues across Tyne and Wear. The committee continued the previous year's arrangement of scrutiny of issues in the ITA's own forward plan. However, the reduction in meetings had the obvious effect of reducing the work programme of the committee. Regular review enabled the committee to take account of the balance of the work programme, new and emerging issues, changing scrutiny priorities and discussion at meetings.

Appointments to the Chair and Vice-chair roles were made at the first meeting of the committee in July 2011 and a draft work programme was agreed. With the addition of the appointment of substitutes, attendance at the Scrutiny Committee was on average 65% across the 4 committee meetings.

Set out below is a summary of the work of the Scrutiny Committee in 2011/12. The Centre for Public Scrutiny's four principles of good scrutiny has been used to guide this report as they are the key national benchmark. The principles are to:

...provide critical friend challenge to executive policy and decision-makers

...enable the voice and concerns of the public and its communities to be heard

...carry out scrutiny by 'independent minded governors' who lead and own the scrutiny process

...drive improvement in public services

### Principle

### Evidence

To provide critical friend challenge to executive policy-makers and decision-makers

- The committee continued to base agenda items on the ITA's forward plan providing, wherever possible, pre-decision scrutiny.
- New meeting dates were agreed to enable sufficient time to feed committee outcomes to the ITA.
- The committee discussed the local employment opportunities afforded by major works across the ITA area.
- The committee discussed the potential of a North East Rail Academy and the opportunities this afforded for the future workforce.

To enable the voice and concerns of the public and its communities to be heard

- The committee raised the issue of the provision of shuttle buses from the pedestrian Tyne Tunnel (both sides) to the local metro stations as part of an integrated travel system.
- The committee discussed the classification and determination of priority lanes. Comments made will be considered in a future review of priority lanes.

To carry out scrutiny by 'independent minded governors' who lead and own the scrutiny process

- The committee agreed meeting times and venues to make arrangement convenient for all members.
- The committee agreed to single item agendas to support more in-depth scrutiny of key issues.
- The committee visited the new Tyne Tunnel

To drive improvement in public services

- A broad range of developing service areas were considered including:
  - the implementation of Urban Traffic Management Control
  - the progress of implementing the North East Smart Ticketing Initiative (NESTI) and future plans for this.
- The committee considered the impact of metal cable theft on commuters and the actions taken to minimise disruption and further occurrences.

## Membership of the Scrutiny Committee 2011/12



**David Tate**  
[Chairman]  
Sunderland



**Muriel Green**  
North Tyneside



**Tom Graham**  
Gateshead



**Richard Porthouse**  
South Tyneside



**George Pattison**  
Newcastle



**Neville Padgett**  
[Vice-chair]  
Sunderland



**Les Birkenfield**  
North Tyneside



**Malcolm Graham**  
Gateshead



**Bob Watters**  
South Tyneside



**Ian Preston**  
Newcastle



## InterCity East Coast Franchise Consultation

### Response of Nexus (Tyne and Wear Passenger Transport Executive)

*Q1. Do consultees agree that the proposed franchise objectives are an appropriate expression of the priorities that should apply to the new ICEC franchise?*

The overall objectives appropriately reflect what the important priorities for the franchise are, although there are other objectives not referred to which ought to be considered. These include affordability for the passenger, and the optimum relationship between long-distance and local rail services in the Tyne and Wear area, taking account of the potential outcome of decisions to be taken in the near future regarding franchise mapping and decentralisation.

In terms of the affordability of fares, in addition to the ECML's role carrying long-distance traffic it caters for substantial local and regional commuter flows within and between Northumberland, Tyne and Wear and County Durham, centred upon Newcastle station. These markets are likely to be particularly sensitive to price, given average wage levels in the local economy.

The future relationship between long-distance ECML services and local rail operations in the North East is difficult to forecast at present, given the range of potential permutations for franchise shape and governance. A key objective of this franchise specification should be to improve and maintain integration with other franchisees' operations so that ICEC services become a central connecting spine for all North East passenger rail services.

*Q2 Are there any other issues that consultees believe the Department should take into account in determining the length of the new ICEC franchise?*

There are concerns over the deliverability of HS2 services to the North East by 2032/3, given the historical precedents of other major infrastructure schemes. The chronology between the duration of the new ICEC franchise, the franchise which will follow it, and the commencement of HS2 is therefore questionable.

In general, the length of the franchise should be as long as possible to secure maximum long-term investment on the part of the franchisee, subject to the Department having sufficient confidence in the repayment profile assumptions made by potential bidders.

*Q3 What are consultees' views on the principle of the new ICEC franchise becoming a multi-purpose train operator along the route of the East Coast Main Line rather than focusing only on the InterCity services provided by the current operator?*

On balance this proposal is not supported by Nexus. Discussions between Nexus – on behalf of the Tyne and Wear ITA – and other regional transport authorities with the DfT regarding

the nature and scope of rail decentralisation policy as it applies to local franchised rail services post-2014 are ongoing; it is our view that the anticipated length of the ICEC franchise will not create conditions conducive to the flexibility that changing circumstances may require following the outcomes of current governance discussions.

In addition, it is considered that the operational and management disciplines required to deliver consistently reliable long-distance, high speed services are somewhat different to those of local rail operation and that the focus of the new franchisee's attention should be concentrated on achieving industry-leading service standards in terms of the delivery of inter-city links.

*Q4 Do consultees have any comments on which services might be considered for inclusion in the new ICEC franchise and how they might be specified?*

Reflecting the response to Q3 above, we take the view that the focus of the new ICEC franchise should continue to be on long-distance, high-speed links between London, the North East and Scotland which are vitally important to the regional economy.

*Q5 Are consultees aware of any other rail or non-rail major development schemes that are likely to have a significant impact on the new ICEC franchise?*

There appear to be no major development schemes in the Tyne and Wear area that will have a significant impact upon the new ICEC franchise. The existing Tyne and Wear Metro concession will expire in 2017/19, and towards the end of the franchise period Metro rolling stock replacement is also expected to be under way, with potential network extensions. It is not anticipated that these would directly affect the operation of the existing EMCL, but could potentially affect adjoining routes such as Pelaw Junction -Sunderland – Seaham, and the status of the Leamside rail corridor.

*Q6 Are there any research findings, evidence or other publications that consultees wish to bring to the attention of the Department as part of this refranchising process?*

No response.

*Q7 Consultees' views are invited on the train service specification, including which aspects should be mandated by the Department and which can be left to commercial discretion; and also on whether or not there should be a change in the specified minimum service level when IEP trains are introduced.*

It is recommended that for long-distance services, aspects such as first and last trains, station calls and Sunday services should continue to be specified, but that for other aspects potential franchisees should be afforded commercial discretion to determine optimum train

service levels. In practice, route capacity constraints and the legitimate access requirements of other train operators are likely to restrict unbridled commercial freedom.

IEP should in theory offer greater route capacity, given its claimed traction performance and environmental credentials, as well as higher seating capacity. As this element of the franchise would largely encompass profitable services, there may be benefits to be had in allowing the franchisee to exploit the full potential of the IEP trains whilst leaving the minimum service level unchanged. In terms of possible additional 'other services' being transferred into the franchise, it is recommended that the existing minimum service level provisions should continue to apply in such cases.

*Q8 Consultees' views are invited on the potential for the franchise to serve locations accessible from the East Coast Main Line which currently have limited or no direct services to London.*

In the Tyne and Wear area the provision of direct services to London from locations with 'limited or no services' is restricted to Sunderland, which currently receives four services per day via Grand Central's open access operations. Through services between London to Wearside are important to the area's economic vitality and as such need to be retained, as evidenced by the level of demand for existing Grand Central services. In the event of any future changes to existing arrangements, the Durham Coast route between Northallerton and Sunderland route would be a strong candidate for IEP services. Otherwise, the main priority for the Tyne and Wear area is for a minimum of two trains per hour between Newcastle to and from London during weekday daytimes to be maintained, with no risk to that service level occasioned by the introduction of services to destinations not currently provided with regular through services.

*Q9 Are consultees aware of any ways in which improved ticketing, smart ticketing and passenger information might be provided?*

Nexus through its participation in the North East Smart Ticketing Initiative and the Metro ticketing and gating programme is providing complementary smart ticketing improvements at the local transport level across the region. ITSO compatibility between discrete smart ticketing schemes points the way towards more widespread product acceptance from the customer perspective, and Nexus and its partners look forward to closer engagement with the new franchisee in this regard.

In terms of passenger information provision, improved integration between the National Rail portal and local and regional Traveline /My Journey initiatives would be beneficial in providing local rail users with a seamless single source of public transport service status data. This is in line with the Open Data protocol principles recently endorsed by the Tyne and Wear ITA.

*Q10 Do consultees support the use of NPS scores to monitor and improve service quality of the ICEC franchise? Are there any other approaches that might be more effective in securing improvements in customer experience?*

NPS plays a valuable role across the country in supplying unbiased and comparable data which relates to passengers' perceptions, experiences and requirements, and Nexus would be happy for the current process to continue. By its nature however it does position rail users' perceptions somewhat in isolation of the views of the wider travelling public. Nexus carries out extensive market research into users' and non-users' views of all modes of public transport across Tyne and Wear. It is suggested that there is scope for greater input by the franchisee into local surveys of public transport attitudes and perceptions, supplementing NPS data, to supply a local focus upon passengers' concerns and to assuage any concerns that the franchise is being operated remotely without the benefit of a detailed knowledge of local views and issues.

*Q11 What are consultees' priorities for improvements to the stations managed by the ICEC franchisee?*

At a general level, the priorities are for excellent customer service designed around the needs of the passenger, attention to detail across accessibility issues, comprehensive rail journey and onward travel information, effective safety and security issues, a more robust inter-operator protocol regarding important connections, and appropriate retail and customer facilities.

At Newcastle station, priorities for improvement in partnership with Nexus and Newcastle City Council include major changes to the portico area to remove traffic and create a pedestrian-friendly interchange with taxis and local bus services. Within the station precincts, better visual information regarding onward journeys by bus and Metro is sought along with a more co-ordinated interface with Central Station Metro. Improved indoor passenger waiting facilities, cycle parking and additional toilet facilities are also required.

Passengers arriving on trains at Newcastle station without a ticket, through no fault of their own having travelled from a station without ticket-issuing facilities and been unable to purchase one on-board, currently experience an inconsistent level of service. Apart from improvements to the retailing process on-board services operated by the future franchisee, the introduction of an excess fares office or excess fare ticket machines are required to resolve the existing unsatisfactory situation which affects the services of all train operating companies serving the station.

Nexus would welcome the development of a closer working relationship with the franchisee than has historically been the case in terms of the everyday operation of Newcastle station and its interface with the Tyne and Wear Metro, as well as to identify and implement improvements that will benefit all passengers.

*Q12 What do consultees believe are the most important factors in improving safety and security (actual or perceived?)*

A high level of staff presence is the most important factor in improving actual and perceived safety and security. Although staff visibility during the times of barrier staffing at Newcastle is relatively high, there is less presence later in the evening once the barriers are deactivated at a time when passengers may perceive a higher level of threat to their personal safety. Also, staff presence tends to diminish with distance from the central concourse and barriers; platforms 7 and 8 at Newcastle station can feel particularly remote and unsupervised and here a more visible staff presence and higher level of camera surveillance would provide greater reassurance to passengers.

*Q13 Are there any increments or decrements to the DfT's proposed specification that stakeholders would wish to see and would be prepared to fund?*

Nexus has not identified any increments or decrements that might be appropriate changes to the franchise specification.

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## **INTERCITY EAST COAST FRANCHISE CONSULTATION**

### **Response from the Association of North East Councils**

#### Introduction

The Association of North East Council (ANEC) is the political voice for local government in the North East. It encompasses the 12 local authorities in the North East, including Northumberland, Tyne and Wear, Durham and the Tees Valley.

ANEC welcomes the opportunity to respond to the Department for Transport's consultation *InterCity East Coast Franchise*. In particular, that the next franchise period, from the end of 2013 for up to 12 years, aims to provide sufficient scope for the successful operator to invest in improvements, including better service quality, station upgrades, roll out of smart-ticketing technology, good levels of punctuality and improvements to customers and overall passenger experience. We acknowledge that the franchisee will be responsible for overseeing the introduction of the new InterCity Express rolling stock, which will be built at Newton Aycliffe in Durham. Given current levels of patronage and future forecast demand, we would like to see the introduction of these trains as early as possible in the new franchise period.

The InterCity East Coast Franchise is of strategic economic importance to the North East, sustaining connections between the North East, London, Scotland and a range of business and leisure destinations served directly by the line or through connections on to other services.

High quality, reliable and punctual East Coast main line services are recognised as being vital to our connectivity and for the future competitiveness and prosperity of the North East and have been consistently highlighted in all consultation and engagement events undertaken with local authority stakeholders and the business community.

We have consistently advocated for early improvements to the East Coast Main Line, as highlighted in the strategic priorities outlined in the Association of North East Councils' current Corporate Plan, our response to consultations on High Speed Rail.

## Transport infrastructure and connectivity

**The East Coast Main Line (ECML) is critically important to the economic development and competitiveness of the North East of England**, providing vital connections throughout the North East, to areas served by the current East Coast (London to Edinburgh and onwards), Cross Country (broadly between Plymouth and Edinburgh or Reading and Newcastle), and Transpennine Express trains (including to Manchester Airport). Regular and reliable services linking the North East with Scotland and London and to other cities and metropolitan areas served by the ECML are recognised locally and nationally as vital to the North East's prosperity and growth.

The ECML also **serves an important function in providing transport connections to the wider rail network and on to rural and more peripheral communities**. In addition to facilitating economic growth, a frequent and reliable rail service fulfils a societal role in enabling those without other means of transport to access a range of services and amenities – in many cases linking areas of need with areas of opportunity.

The ECML broadly follows the route of the A1, a key-north south link between London and Edinburgh. Congestion problems on areas of the A1 in the North East have long been recognised. The Highways Agency and DfT have awarded one of three pilot 'route-based strategies' to plan for infrastructure improvements in this area. The need for, and impact of, these potential longer term infrastructure improvements reflect the potential for patronage growth on the ECML in more localised access to employment other opportunities (such as business growth and tourism) and freight, in addition to its strategic role connecting the North East with the wider country.

Aviation is also an important element in the North East's transport system and provides the international connectivity we need to succeed in the global economy and access to the London airports is important. In this context, **we regard air services and ECML rail services as complementary rather than competitive**. ANEC will be making a response to the consultation on the Aviation Policy Framework, in which we will emphasise the importance and need for DfT to adopt an integrated approach to transport policy in the UK.

We would also ask for **a strategic approach to be taken in relation to any future decisions on High Speed 2 (HS2)**. The timescales for High Speed Rail to be extended to link the North East of England and the current lack of any legislative guarantee for HS2 to be extended beyond Leeds mean that this area of the country is reliant upon incremental improvements to the classic rail route (ECML) rail for securing higher speeds, improved end to end journey time reliability, and increased capacity, which we will be pressing for the ICEC franchise to deliver. The Eastern Network Partnership, a collective of local authorities, ITAs and Chambers of Commerce from the East Midlands, Yorkshire and the North East, have jointly commissioned work that outlines the economic impacts of bringing High Speed Rail to the east coast. It also acts to underline the importance of investing in the classic rail network to ensure the benefits of HS2 to the Western network do not disproportionately affect the Eastern Network's ability to stimulate economic growth.

**Investment in the ECML is a key economic driver, not just in relation to passenger rail services, but with an important role to play in supporting the development of freight to and from the region, including links with major ports in the North East**. As the only area of the country with a positive balance of trade and strong performance in exports this is an important economic priority for the North East. A reliable ECML with sufficient capacity is vital for our ports to realise their full potential.



## Franchise objectives

### **Q1 Do consultees agree that the proposed franchise objectives are an appropriate expression of the priorities that should apply to the new ICEC franchise?**

Given the context of the ECML's critical role in the economic growth and competitiveness of the North East, we are of the view that that the objectives of the franchise should strongly reflect the aspirations of public and private sector stakeholders aimed at bringing about improvements that support economic activity and better connectivity. Punctuality and reliability; performance and higher levels of passenger satisfaction; higher speeds and shorter end to end journey times; increased capacity and guarantee of a seat, value for money and ticket price and station improvements should all be key priorities in the proposed franchise objectives. It would also be beneficial to have more station car parking in some locations depending on local circumstances but local transport authorities should play a key role in deciding where this is necessary..

We have some concerns that in the proposed franchise objectives there appears to be an over emphasis on financial outputs. The long term viability of the franchise in terms of delivering on financial promises should be a key objective but this needs to be balanced with passenger satisfaction levels and customer service which are also very important. The integration of intercity and local rail services and the affordability of rail travel, particularly in light of recently announced rail price increases and the comparatively high cost of rail travel compared with other European countries should be more strongly reflected in the franchise objectives as should the potential to take advantage of ECML investment to enhance local operations. A significant part of overall investment is the ongoing improvements to our main stations including Newcastle Central and Darlington forming an important part of passenger experience. We would therefore welcome clearer references to station improvements that go beyond those that are currently specified in terms of information, accessibility and security. In addition, we consider that the commitment the government is making through City Deals to help enable economic growth and prosperity should be considered. The potential benefits from complementing proposed economic stimulus by, for example, accelerated development zones in the vicinity of stations on the ECML offers a significant opportunity for franchisees. Similarly the impact of franchisees providing access to these economic opportunities offers value for the wider economy.

## Franchise Length

### **Q2 Are there any other issues that consultees believe the Department should take into account in determining the length of the new ICEC franchise?**

A long-term franchise would be beneficial where commitments to investing in services and infrastructure are built into the contract. Longer term franchise agreements can provide the certainty needed for business planning and a phased programme of investment although break points are essential to manage sustained performance. However we do recognise that an independent review by KPMG for DfT stated that, *"We conclude therefore that whilst there might with very simplistic assumptions, e.g. about cost recovery during a franchise, be some theoretical basis to consider that longer franchises could provide stronger performance incentives, amongst the TOCs we have studied there is no strong evidence for or against a direct link between contract length and the outcomes delivered"* (Department for Transport, Rail Franchising Policy: Analysis of Historic Data, January 2010, p7).

Therefore, of more importance is the need for the franchise to relate to the plans for the development of a High Speed Rail Network in order to achieve alignment and complementarity. However, based on current HS2 timescales, even a 12 year InterCity East Coast franchise may not be long enough (or provide scope for a subsequent franchise) to align with high speed rail implementation. It is important that such alignment is given careful consideration if we are to maximise the benefit of the released additional capacity on the ECML and to ensure that it forms part of a coherent strategy for improving passenger options and journey times.

## Franchise Scope

### **Q3 What are consultees' views on the principle of the new ICEC franchise becoming a multi-purpose train operator along the route of the East Coast Main Line rather than focusing only on the InterCity services provided by the current operator?**

The effective connectivity delivered by the ECML franchisee and effective integration with the wider network are a critical part of the master planning that underpins economic recovery and performance in the North East.

The North East has clear aspirations to develop and broaden its regional rail network, by enhancing existing services, improving existing stations, building new stations and reintroducing new passenger services on disused and freight only railways. These improvements are specifically aimed at improving accessibility, contributing to economic growth and tackling carbon emissions.

The achievement of the region's development aspirations for the rail network needs to be paramount in deciding the issue of the new ICEC franchise becoming a multi-purpose operator along the route, and needs to dovetail with rail devolution. Local authorities are important stakeholders in this context and an ongoing open and transparent dialogue is required between Network Rail, the franchisee and the North East's democratically elected Leaders and Elected Mayors who are accountable to the electorate. ANEC submitted a response to the recent consultation on Rail Decentralisation at the end of June 2012.

The focus for the ICEC franchise should continue to be developing the long distance market on the ECML with improvements to rolling stock, improved end to end journey times, higher speeds and improved capacity – though the aforementioned effective integration with other services must be considered, particularly in delivering improvements for passengers (through smart ticketing initiatives etc).

### **Q4 Do consultees have any comments on which services might be considered for inclusion in the new ICEC franchise and how they might be specified?**

It is important that the strategic focus of the ECML franchise remains on end to end, fast, high quality services. The ability for the franchisee to influence and inform National Rail's future overhauls of national timetables, based on their service requirements and potential areas for growth, is important. But incorporating local routes runs the risk of diluting this and as such the North East does not support the inclusion of the North East's feeder services within the specification of the franchise. Integration between ICEC services and feeder services should be improved, but this can be achieved in the context of separate franchises rather than a single long distance/short distance arrangement.

ANEC set out the North East's aspirations for local rail services in relation to decentralisation in its recent response to DfT's Rail Decentralisation consultation and there is the concern that including local services in the ECML franchise of 12-15 years could limit these aspirations in relation to decentralisation. A shorter timeframe for franchising the ECML, that would enable a subsequent franchise in-line with the delivery and opening of HS2 may enable local services to be considered for this subsequent franchise.

## Major Schemes, Stakeholder Aspirations and Other Initiatives

### **Q5 Are consultees aware of any other rail or non-rail major development schemes that are likely to have a significant impact on the new ICEC franchise?**

#### **High Speed 2**

It is essential that any future high speed rail network is developed in such a way as to maximise opportunities across the UK from the beginning to ensure that the whole country benefits. As previously highlighted, the lengthy timescales involved in implementing high speed rail and the lack of any current legislative guarantee that HS2 will extend beyond Leeds to the North East means that conventional rail improvements on the ECML has a particularly critical role to play in the economic growth and prosperity of the area.

The economic benefits of High Speed Rail will be maximised if it is planned and delivered in the right way and integrated with a strategy for improving rail services on existing lines. Improvements are needed to existing rail routes in the short to medium term to deliver benefits in advance of completion of the full national High Speed Rail network. Capacity released on existing rail routes by High Speed Rail should be used to retain existing long distance inter-urban rail services to the eastern network, not for additional London commuter services. There should be more regular services to London from places on the eastern network that do not have them currently.

North East authorities are of the firm view that investment in high speed should not be at the expense of the conventional rail network. Since the planned high speed network is predicated on having a limited number of stopping points, it will be essential to ensure that improvements in local connectivity are planned and implemented in parallel to, and in advance, of high speed rail development such that the whole of the North East can share the benefits. International evidence shows that integrating high speed rail with the local transport networks further increases the area over which the benefits of high speed rail are felt (High Speed Rail Eastern Network Partnership – Technical Business Case Work, ARUP, May 2011).

#### **Rolling Stock and Journey Times**

The InterCity Express Programme provides a great opportunity to address the issue of ageing and unsatisfactory rolling stock and whilst it is tremendous news for the North East's economy that Agility/Hitachi Trains are to build the new fleet at Newton Aycliffe in County Durham, there will be concurrent disadvantages to the North East's economy of another seven years before the introduction of new trains, with negative impacts on customer experience, performance, timetable and journey time improvements. The quality of current rolling stock is reducing quickly and it is not clear if trains currently operating on the route will be refurbished again before being replaced in 2019. Given the levels of patronage, it is critical that the new rolling stock due to come into service in 2019 come onto the Newcastle - Kings Cross leg of the ECML at the earliest opportunity.

## Infrastructure

Station improvements at Newcastle Central and Darlington are a key part of overall investment. The re-modelling of Darlington Station should be included in the franchise agreement and improvements at Newcastle Central Station will make important material improvements to passenger experience. More details are found at question 11.

Compounding the impact of ageing and potentially unreliable rolling stock, inadequate infrastructure leads to slower journeys and poor connectivity between the key centres in the North East of England, limiting the economic integration between these key drivers of growth. Furthermore, these slow journey times result in reduced frequency (and therefore reduced patronage) on core routes.

End to end journeys on the ECML as highlighted above are important for economic vitality and we would wish to see them protected as a priority within the franchise. Currently the fastest journey time from Newcastle to Kings Cross is two hours and thirty seven minutes although on average it usually takes around three hours. An aspiration within the envelope of the next ICEC franchise period is for this to be reduced to as near two and a half hours as possible.

## Rail Value for Money

**Q6 Are there any research findings, evidence or other publications that consultees wish to bring to the attention of the Department as part of this refranchising process?**

Rail services in the North of England provide significant economic benefits by connecting people to jobs and providing businesses with a wider labour market. There is evidence available relating to all regional services and the prospects for passenger growth on the ECML and its feeder services. There is a strong correlation between employment growth in the North and the growth in demand for rail services.

There should be a clear understanding of what is meant by 'value for money' when applied to assessing the franchise bids and not be restricted to the level of income through fares the new franchise operator believes it can deliver to the Government. A proper consideration should be given to the wider economic benefits the preferred franchise would deliver across the relevant areas of the country.

The recent McNulty Review; *Realising the potential of GB rail* identified an 'efficiency gap' in UK rail operations when compared to European rail operations. The review concluded that UK railways are 20 - 30% more expensive than their European counterparts, which is an issue in the context of achieving value for money and affordability of rail travel in this country.

## The Service Specification

**Q7 Consultees' views are invited on the train service specification, including which aspects should be mandated by the Department and which can be left to commercial discretion; and also on whether or not there should be a change in the specified minimum service level when IEP trains are introduced.**

For intercity routes, first and last trains, station stops and Sunday services should be specified. Local services should not be incorporated into the franchise.

Detailed ambitions for specification are set out in the responses from the North East's two Local Enterprise Partnerships and in responses submitted by individual councils.

It is important that any new timetable should not impair or reduce access to the broader range of services using the East Coast Mainline including those at the intermediate stations between Berwick and Darlington. There is a need for additional capacity to meet current and future passenger demand and more stops at intermediate stations, such as Berwick, Alnmouth and Morpeth, are required as part of ongoing timetable and train service improvements in the franchise period. Passenger Focus would like to see the issue of sporadic timings particularly over peak periods and gaps in departure times from Kings Cross being addressed as well as an earlier initial arrival time into Kings Cross with a later departure from Edinburgh. We are concerned about the suggestion of reducing flows on specific days or times of day as this is likely to be detrimental to the overall service particularly if this results in the loss of clock face departure times.

The key regional peak-time commuter demand patterns should be taken into account including the demand from/to the smaller category stations although increased stops closer to London could attract commuter traffic with significant short term financial benefit but to the long term detriment of the service.

The seven-day railway is increasingly important in response to a growing visitor economy. Also early and later train availability is becoming more important to reflect the need for more variable travel patterns and to accommodate same-day business journeys.

**Q8 Consultees' views are invited on the potential for the franchise to serve locations accessible from the East Coast Main Line which currently have limited or no direct services to London.**

### **Train Service Requirements**

Other key services in the North East such as the arrangements which have delivered through services from Sunderland to London should be retained and developed. The present four trains a day service (Grand Central) to London serving Sunderland, Hartlepool and Eaglescliffe, whilst a useful addition, is insufficient to provide a modern link. By the end of the next franchise period this will be totally inadequate and as such needs to be considered within the specification and should sit alongside a minimum requirement of two trains per hour to and from London during weekday daytimes.

### **Delivering Improvements for Passengers**

**Q9 Are consultees aware of any ways in which improved ticketing, smart ticketing and passenger information might be provided?**

Many ticket technologies not yet used by the East Coast franchise are no longer new and have been used with significant success elsewhere in the UK and across Europe. The preferred bidder should show a commitment to exercise major innovations in this area and should also work with local authorities on the line of the route to ensure such systems are locally compatible. The franchise bidder should at an early stage refer to the North East Smart Ticketing Initiative (NESTI) to look at how ticket integration and customer experience can be improved. In addition, the franchise operator whilst embracing innovative solutions should ensure a flexible approach to travel ticket purchase and use, recognising mobile and online technologies may not be accessible for everyone.



On the trains, wi-fi should be comparable to 3G bandwidth as standard rather than a limited premium service which will have the added benefit of communication with passengers for whole journey travel information. Where possible the low continuity of mobile phone signal should be addressed.

The provision of timely and accurate information is of critical importance to passengers and the franchisee must continue to meet the needs of passengers especially during periods of disruption where a coordinated approach between operators must be adopted.

**Q10 Do consultees support the use of NPS scores to monitor and improve service quality of the ICEC franchise? Are there any other approaches that might be more effective in securing improvements in customer experience?**

NPS is a useful, robust and nationally comparable way of gaining data about passenger perceptions and Passenger Focus performs an important role in deriving it. However it could be further refined to give more granularity of information about different aspects of satisfaction with services. We would also support the use of local data to give a local focus to passenger concerns and more accurate monitoring of punctuality and reliability.

We support the view of Passenger Focus that the key issues are punctuality and delays, followed by affordability and quality issues. We also consider that the disruption caused by maintenance works could be better managed for the customer. In addition, we support Passenger Focus's suggestion that the current 10 minute time allowance before a service is considered to be running late is reduced, that more disaggregated data is provided on punctuality over the route and that there should be a significant reduction in the number of trains running 20 or more minutes late.

We are concerned about the suggested flexibility for the franchisee as overbidding can result in reduced quality of service. Quality must be embedded in the service specification with robust monitoring and clarity regarding the local authorities' role in the service change process.

The use of temporary timetables is a concern and the number of days they are in force should be measured as they have impacts on customer service – although they often result from Network Rail's activities.

The East Coast route is a long-distance Intercity route with many commuters travelling between the extremities of the corridor. Currently, service performance and quality scores poorly against other long distance routes and must be improved. Given the history of the franchise, it is important that revenue generation and commercial viability for the operator are not at the expense of passenger satisfaction levels and customer service.

The availability of good quality catering facilities combined with a personalised service is very important. Also the increased importance of the visitor economy to the North East points to the need for a minimum standard of catering quality forming part of the whole visitor experience for both leisure and business visitors alike.

## Better Stations

### **Q11 What are consultees' priorities for improvements to the stations managed by the ICEC franchisee?**

ANEC recognises the impact of good station management and investment in stations as being vital to the attractiveness and growth potential of rail franchises. As identified in a recent report commissioned by Network Rail, *The Value of Station Investment, Research and Regenerative Impacts*, (Steer Davies Gleave, November 2011) stations can either act as barriers to growth or provide the key gateway that impacts on an area's ability to provide connectivity, capacity for growth, support sustainable economic growth in that area and offer development opportunities.

Stations also act as a commercial or community centre and this is certainly reflected in proposed plans for stations including Darlington, Newcastle and Sunderland. Newcastle's Accelerated Development Zone, for example, as agreed with Government as part of the City Deal, is focused on the city centre and in particular the area in the vicinity of the station and its role as a gateway. The re-modelling of Darlington Station can address the operational conflicts currently experienced and improve performance of passenger and freight services using the station, provide flexibility for enhanced local services and address accessibility issues. It provides the potential for enhanced retail opportunities and for improved public transport interchange. The development of the full scheme should be included in the franchise agreement.

These are both examples whereby, as a key actor in unlocking sustainable economic growth in this area, local authorities through greater involvement in station management and investment could maximise benefits for all partners.

## Security and Safety

### **Q12 What do consultees believe are the most important factors in improving safety and security (actual or perceived)?**

Levels and visibility of staffing and the presence of camera surveillance improve levels of security and safety in actual and perceived terms. A minimum requirement of the franchise should be that an appropriate staff presence be available at all times during train operating hours and that attention be paid to more remote platforms at the larger stations. CCTV and lighting should also be provided. The issue of gating at stations needs to be clarified as this has been applied inconsistently along the ECML.

## Increments and Decrements

### **Q13 Are there any increments or decrements to the DfT's proposed specification that stakeholders would wish to see and would be prepared to fund?**

Given the current engagement and dialogue in relation rail decentralisation, it is not appropriate for ANEC to provide further detail at this stage.

## Concluding Remarks

ANEC's response has been informed by the 12 member authorities in the North East and has drawn on various pieces of relevant research including, amongst others, the KPMG, (January 2010) *Department for Transport, Rail Franchising Policy: Analysis of Historic Data*; Aecom (April 2010) *NE Strategic Connections. Evidence Base and Emerging Challenges Report* (copies held at DfT); ARUP (May 2011) *High Speed Rail Eastern Network Partnership – Technical Business Case Work and Steer Davies Gleave*, (November 2011), *The Value of Station Investment, Research on Regenerative Impacts*.

Given the importance of the ICEC Franchise for ANEC member authorities, we would be pleased to meet with Ministers and Civil Servants to discuss any of the issues highlighted in our response and to provide any additional information the Department of Transport would find helpful as part of this consultation process.

For further information in relation to any of the issues highlighted in ANEC's response, please contact Hilary Knox, Deputy Chief Executive, Association of North East Councils on 0191 261 3913 or [hilary.knox@northeastcouncils.gov.uk](mailto:hilary.knox@northeastcouncils.gov.uk)

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