



Transport North East (Tyne and Wear) Sub-Committee

Thursday 13th July 2017 at 3.00 pm or following the conclusion of the Transport North East Committee.

Meeting to be held in a Committee Room, North Tyneside Council, Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY

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AGENDA

Page No

1. **Apologies for Absence**

2. **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.

3.	Minutes of the Previous Meeting held on 20 April 2017	1 - 4
4.	Metro Transition Project Completion Update	5 - 18
5.	Metro Performance Update	19 - 32
6.	Monitoring Nexus' Performance 2016/17	33 - 38
7.	Monitoring Nexus' Performance 2017-18	39 - 52
8.	Metro ticket acceptance on commercial buses during unplanned disruptions to service	53 - 58
9.	Update on Nexus' Corporate Risk Register 2017/18	59 - 82

10. Exclusion of Press and Public

Under section 100A and Schedule 12A Local Government Act 1972 because exempt information is likely to be disclosed and the public interest test against disclosure is satisfied.

- | | |
|---|-----------------|
| 11. Confidential Minutes of 20 April 2017 | 83 - 84 |
| 12. Concessionary Travel Reimbursement for 2017/18 and 2018/19 | 85 - 90 |
| 13. Tyne Tunnels - Update | 91 - 118 |
| 14. Date and Time of Next Meeting | |

14 September 2017, 2.00pm at the Civic Centre, Newcastle upon Tyne,
NE1 8QH

Contact Officer: Lynn Camsell Tel: 0191 211 6146 E-mail: lynn.camsell@newcastle.gov.uk

To All Members

North East Combined Authority, Transport North East (Tyne and Wear) Sub-Committee

20 April 2017

(3.30 - 4.15 pm)

Meeting held Committee Room, County Hall, Morpeth, NE61 2EF

Present:

Councillor: J Harrison (Chair)

Councillors: G Hobson, Cllr M Brain, J McCarty and M Mordey

140 APOLOGIES FOR ABSENCE

None

145 DECLARATIONS OF INTEREST

None

146 MINUTES OF THE PREVIOUS MEETING HELD ON 27 FEBRUARY 2017

RESOLVED – that the minutes of the meeting held on 27 February 2017 were agreed as a correct record and signed by the Chair.

147 METRO PERFORMANCE UPDATE

Submitted: Report of the Managing Director (Transport Operations) (previously circulated and a copy attached to the Official Minutes).

Members considered the report which provided an update on Metro performance for twelve weeks from 11 December 2016 to 4 March 2017.

In discussion members commented on the following:-

- The numerous times when services were out of action due to acts of vandalism on the line and concerns at the late response by bus operators to drivers informing them to accept Metro tickets.
- Park Lane signalling issues and a point defect effecting Excess Headway Minutes (Network Rail).

- Consideration of the next report to the Sub-Committee will include the takeover period from 31 March; Members also requested that they be given the opportunity to explore the methods of communication used between bus operators and Nexus in the event of service disruptions.

Points to note

The method used by Nexus ticket officers to inform bus operators of service disruptions.

Delays and service withdrawals can occur at peak travel times, coincide with football match days and can be as a result of overhead line faults or acts of vandalism.

RESOLVED that –

- The Sub-Committee received the report.
- A report in relation to the methods of communication used between bus operators and Nexus in the event of service disruptions be brought to a future meeting.

148 **COMPLETION OF METRO TRANSITION**

Submitted: Report of the Managing Director (Transport Operations) (previously circulated and a copy attached to the Official Minutes).

Members considered the report which provided details of the work undertaken to date on the various work streams initiated by Nexus in respect of the Metro Transition project following the decision to allow the current Metro Concession with DB Regio Tyne and Wear Limited to expire on 31 March 2017.

Of the seven work streams identified to manage the transfer of the concession progress continued with:

Structure of delivery of Metro Passenger services – a review of the services is underway following the return of services to Nexus.

HR/Staffing – in relation to the Tyne and Wear Pension Fund final actuarial valuations are being assessed.

Financial – work is continuing to assess and monitor the true underlying base budget of DBTW and to inform post April 2017 costings.

Appreciation was shown for the dedication and work to ensure that the transfer of the concession was delivered smoothly and on time.

RESOLVED that –

- The report be noted.

- ii. The Sub-Committee receives a further report form Nexus Metro Transition Assurance Committee

149 **MONITORING NEXUS' PERFORMANCE 1 APRIL 2016 - 4 MARCH 2017**

Submitted: Report of the Chief Executive Officer for Transport and the Managing Director (Transport Operations) (previously circulated and a copy attached to the Official Minutes).

Consideration was given to the report which provided an update on Nexus' performance against its Corporate Business Plan (CBP) targets and objectives for 2016/17 for the duration of the twelve four-week reporting periods from 1 April 2016 to 4 March 2017, the period from 1 April to 10 December 2016 having been previously reported to the Sub-Committee.

In discussion members commented/questioned as follows:

- The evident decline in patronage and plans to mitigate this.
- An explanation was requested with regards to 'platform gap fillers' and its purpose.
- Conversations with young people in respect of their transport needs to enable them to access employment and barriers to using public transport such as high costs and issues of personal safety. In Newcastle considerable progress had been made between bus operators and affordable transport for young people.

Points to note were:

A further day of industrial action by the Rail, Maritime and Transport workers' union (RMT) which will coincide with the three-day road cycling race Tour de Yorkshire.

Future investment such as Killingworth Road Bridge.

Marketing initiatives to promote destinations/attractions particularly during school holiday periods.

The trial to implement platform gap fillers; a trial specific to Network Rail as part of the scheme to ensure compliance with the Rail Vehicle Accessibility Regulations requirements.

RESOLVED – that the report be received.

150 **NEXUS' CORPORATE RISKS 2017 - 2018**

Submitted: Report of the Managing Director (Transport Operations) (previously circulated and a copy attached to the Official Minutes).

Members considered the report which provided information on the up to date position with regard to Nexus' Corporate Risk Register.

RESOLVED – that the report be noted.

151 **TYNE TUNNELS UPDATE**

Submitted: Report of the Lead Chief Executive for Transport (previously circulated and a copy attached to the Official Minutes).

Consideration was given to the report which provided Members with an update on issues at the Tyne Tunnels relating to the operation of the New Tyne Crossing vehicle tunnels and the refurbishment of the Tyne Pedestrian and Cyclist Tunnels.

Members referred to the opening of the pedestrian and cyclist tunnels suggesting that a marketing campaign be used to promote the reopening of the tunnels.

RESOLVED that the Sub-Committee:

- i. Noted the contents of the report relating to the operation of the new Tyne Crossing vehicle tunnels.
- ii. Noted the contents of the report relating to the refurbishment of the Tyne Pedestrian and Cyclist tunnels.

152 **DATE AND TIME OF NEXT MEETING**

13 July 2017 at 3.00pm or on the arising of the Transport North East Committee



Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Metro Transition Project Completion Update

Report of: Metro Transition Director

Executive Summary

This report provides to the Committee a Report from the Nexus Metro Transition Assurance Committee in relation to the Metro Transition Project.

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to note the content of this report.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

- 1.1 In preparation for the expiry of the DB Regio Tyne and Wear Limited (DBTW) Concession Agreement for the operation of Tyne and Wear Metro 'Passenger Services', Nexus initiated a Metro Transition project to manage the process. The Project culminated in the return of the Metro 'Passenger Services' on 1 April 2017.

2. Project Governance

- 2.1 In relation to the Metro Transition Project, Nexus put in place appropriate Project Governance arrangements which, as well as including internal periodic reporting to its Corporate Management Team, included the creation of a Metro Transition Assurance Committee (MTAC). This was a committee of external members drawn from Nexus' present Audit Committee, external experts from the rail industry and a NECA representative in order that the Transition Project could be "audited" against its aims and objectives and project plan. The MTAC met on a four weekly basis which was reported to Nexus' Corporate Management Team. The Chairman of MTAC verbally reported to the Committee at a Policy Seminar in January and as requested by the Committee at its meeting on 20 April 2017 has prepared an assurance report on behalf of MTAC members, a copy of which is appended to this report.

3. Reasons for the Proposals

This report is for information purposes only. Therefore, no proposals are contained in this report.

4. Alternative Options Available

This report is for information purposes only. Therefore, no alternative options are contained in this report.

5. Next Steps and Timetable for Implementation

N/A

6. Potential Impact on Objectives

N/A

7. Financial and Other Resources Implications

- 7.1 Work is continuing to assess the true underlying base budget of DBTW.

Transport North East (Tyne and Wear) Sub-Committee

8. Legal Implications

- 8.1 The key legal implications are set out in the body of the report.

9. Key Risks

- 9.1 The Metro Transition Director developed and managed a detailed risk register throughout the mobilisation period and this register is now transferring to business as usual state following the completion of the actual Transition back to Nexus.

10. Equality and Diversity

- 10.1 There are no specific equality and diversity considerations arising from this report.

11. Crime and Disorder

There are no specific crime and disorder considerations arising from this report.

12. Consultation/Engagement

- 12.1 There are no specific consultation requirements arising from this report; however Metro customers, employees and key stakeholders will continue to be informed throughout the process.

13. Other Impact of the Proposals

N/A

14. Appendices

- 14.1 Report of the Metro Transition Assurance Committee.

15. Background Papers

- 15.1 Transport North East (Tyne and Wear) Sub-Committee report 'Metro Transition Project Completion Update' 20 April 2017.

16. Contact Officers

- 16.1 Tobyn Hughes, Managing Director (Transport Operations)
tobyn.hughes@nexus.org.uk; Tel: 0191 203 3246

Transport North East (Tyne and Wear) Sub-Committee

17. Sign off

- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

N/A

Metro Transition Assurance Committee
Lessons Learned Report
May 2017

A Introduction and background

1. On 1 April 2010 Nexus entered into a Concession Agreement with DB Regio Tyne and Wear Limited (DBTW) to provide 'Metro Passenger Services' (MPS) until 01:59 hours on 1 April 2017.
2. In March 2016, Nexus obtained approval from the North East Combined Authority (NECA) Leadership Board to manage the Metro operations "in-house" from the expiry of the DBTW Concession Agreement to 31 March 2019, when the services may be re-let. To ensure the smooth transfer of Metro Passenger Services back to Nexus as of 1 April 2017, the Metro Transition project was established.
3. Under Nexus Governance arrangements, the Metro Transition Assurance Committee (MTAC) was set up to review and challenge all aspects of the Metro Transition project, drawing on their expertise and knowledge. The Committee also provided professional and impartial advice and recommendations to the project in order to ensure its efficiency during the transition process.
4. MTAC was chaired by an independent Chairman, Stephen Banaghan. There were two additional independent members of the committee; Malcolm Reed, Vice Chairman; and Peter Wignall, Nexus Audit Committee, and one NECA representative; John Softly, Assistant Director Legal Services, Newcastle City Council. Both the Chair and Vice Chair have extensive rail industry experience. The Committee first met on 25 July 2016 and, from then, on a monthly basis. The meetings were attended by the Nexus Executive Directors by invite and the Nexus Metro Transition Project Team. In addition, and on request, the Chairman of MTAC attended the Transport North East (Tyne and Wear) Subcommittee of the NECA to update on project progress.
5. The Terms of Reference of MTAC are attached at **Appendix A**.

B Key Outputs of MTAC

6. As represented in the minutes of the MTAC meetings, the Committee provided challenge, recommendations and advice to ensure the project was completed to plan, to time and to budget.
7. Via the MTAC meetings and director updates, the Committee provided the Nexus Corporate Management Team with professional and impartial advice as to the Metro Transition process.
8. In addition, the Chair of MTAC also provided an independent report to the NECA upon the progress of the Metro Transition project.

C Project Review

9. This report provides a strategic summary of the project from the perspective of MTAC members, identifying the successes and potential improvement actions. The report will consider each of the seven project workstreams (listed below) plus the management of commercial issues and project governance and resourcing :
- a. Workstream 1 : Structure and governance of Metro Passenger Services;
 - b. Workstream 2 : HR/Staffing;
 - c. Workstream 3 : Regulatory;
 - d. Workstream 4 : Contractual;
 - e. Workstream 5 : Financial;
 - f. Workstream 6 : ICT; and
 - g. Workstream 7 : Passenger Services Improvements.
10. The degree of scrutiny applied by MTAC across the workstreams varied significantly. In the main, the Committee prioritised its focus according to the degree of risk but in some instances, by the time the Committee was established, policy formulation within Nexus and the NECA was well advanced. As a result, the Committee's role was one of observing rather than challenging. Both these issues will be explored further in this report.

Structure and governance of Metro Passenger Services

11. This workstream identified the preferred structure of Metro Passenger Services, reporting and governance arrangements and the development of a Concession Lite approach. It was successful because the decision regarding the 'vehicle' for delivery, a wholly owned subsidiary limited company, was made early in the process and not deviated from. This allowed time to explore the preferred governance and management arrangements and also simplified issues or gave direction to a number of other workstreams.
12. However, as noted in paragraph 10, by the time the Committee was established, policy formulation within Nexus and the NECA was understandably well advanced in this area given the constrained project timescales. Whilst MTAC members were supportive of the introduction of an in-house subsidiary, in future it may be appropriate to reflect such 'red-line' matters within the Terms of Reference in case any issues emerge subsequently.

- 13.MTAC was keen to understand the governance and performance monitoring arrangements of the in-house subsidiary. The introduction of the Concession Lite document (which was under development but has not been submitted to MTAC for review) was welcomed as it establishes the financial and performance monitoring arrangements of MPS after transfer and will be vital in providing the required data to inform any future re-letting processes.

HR/Staffing

- 14.This workstream reviewed the detailed MPS organisational structure, developed and delivered the TUPE process and relevant consultation, designed and delivered an induction programme and managed pension matters. During the transition process, MTAC particularly highlighted the risk of staffing shortages, the need for succession plans, the management of pay awards and the importance of fully understanding the concerns of transferring staff.
- 15.The Committee is broadly of the view that this was an area in which success was achieved despite, rather than because of, DBTW. The patient and professional approach adopted by the Nexus project team was particularly commended. The level of engagement and clear messaging in advance of transfer undoubtedly enhanced the employee transition experience and goodwill.
- 16.The key learning point, which can apply to a number of workstreams in the project, is there should be a greater contractual provision for handback information and access to data in any future Concession. It is possible some of these issues resulted from the unexpected and unusual arrangement of Metro Passenger Services returning to its owner, Nexus, for an uncertain but extended period of time rather than transferring under contract to another commercial operator. Concerns were raised as to whether the drafting of the DBTW Concession Agreement prevented Nexus from accessing the same level of information as an external operator. It is recommended that any specific examples should be identified and addressed in any future Concession Agreements. Specific areas for attention include access to the terms and conditions and pay arrangements of transferring Executive managers.
- 17.The Committee also notes pension liabilities are yet to be finalised.

Regulatory matters

18. This workstream delivered approved ROGS, the DPPP, Track Access and Station Access Agreements. Whilst the workstream lead engaged effectively with the relevant stakeholders early in process, it was disappointing to note that some delivery partners were dilatory to the extent that it added to project risk. Changes in their personnel resulted in a lack of clarity and unnecessary time pressures. As MPS is now in-house, it would now seem sensible to explore ways of putting the client-provider relationship on a stronger footing to ensure smoother delivery of regulatory matters within the Metro Futures project.

Contractual matters

19. This workstream novated key service, supply and licencing contracts and arrangements from DBTW to Nexus and involved the consideration of station, depot and fleet leases. The Committee felt it was very well managed throughout. A well-structured process was initiated and delivered in an efficient and timely manner. This was a considerable challenge given the volume of contracts and suppliers involved.

20. MTAC particularly highlighted the importance of effectively managing contracts which terminate on 31 March 2017 or shortly afterwards, and the need to re-establish effective working relationships with the emergency services and Local Authorities regarding the control of CCTV. It is important moving forwards that Nexus seeks to protect derogations from the sub-surface station regulations and ensures that responsibility for monitoring of such stations remains robust and effective such that it will continue to satisfy the fire authority.

Financial

21. This workstream reviewed DBTW expenditure which informed the creation of the MPS budget for 2017/18, prepared and delivered the Business Transfer Agreement, introduced banking, processing and insurance arrangements and prepared an initial draft of the Long Form Report.

22. During the project, MTAC requested detailed assurances of the financial sustainability of MPS and the risk of potential operating losses. These queries were addressed and, via the Audit Chairman being a member of MTAC, shared with Nexus Audit Committee to provide wider business assurances.

ICT

23. This workstream involved the transfer of ICT systems to the Nexus datacentre, the update of IP telephony, mobile telephony and printer hardware, and general ICT licencing and support arrangements.
24. At an early stage and based on previous experience, it was identified by MTAC as an area of considerable risk. However, it was extremely well-managed throughout. A clear plan was developed at the outset and there was effective engagement between Nexus and DBTW ICT representatives. The business needs of Arriva aligned to ensure the workstream was successful but still the decision making processes, risk management and mitigation and the push by Nexus to migrate ICT systems before 1 April 2017 were all important factors in achieving an effective transfer.
25. Given the risk associated with this workstream, it is recommended that Nexus consider all options for the management of ICT solutions in future Concessions.

Passenger Services Improvements

26. This workstream involved extensive consultation with relevant managers in both Nexus and DBTW prior to transfer to develop a list of potential improvement initiatives which is being adopted into the business.
27. MTAC believes an opportunity probably exists within the next 3 to 12 months to further build on the success of the transition. A comprehensive customer service initiative and a clear communication of the 'Nexus' approach to delivery would undoubtedly help to create a step-change in front line delivery.
28. As a general point, MTAC had a rather narrow remit based around the business transfer. Further value may have been added if the Committee had been more fully sighted on the wider context of the Metro Futures project. In particular, Metro Futures and Nexus' wish to ensure a significant improvement of user perception of the Metro as soon as the system was brought back in house was important background to Transition. The static target of an end-date that was reflected in MTAC's Terms of Reference was just the first stage in an intended process of continuous improvement and possible future re-letting. These additional dimensions broadened the project's success factors and correctly influenced the approach of the project team as they introduced the Passenger Service Improvements workstream. Though MTAC was helpfully given a presentation by Jonathan Barwick to supplement the periodic Workstream 7 reports, strictly these matters fell outwith MTAC's terms of reference, and consequently limited the range of issues that members addressed. Without

extending MTAC's period of operation, it might have been productive if the terms of reference had enabled the Committee to review longer-term readiness on a more systematic basis.

Project management, governance and reporting

29. This involved the preparation of reports and presentations for CMT, MTAC and the NECA, the development and management of the project plan, budget and risk log, the management of project interdependencies and handover to Business As Usual.
30. Despite a slight delay in introduction, good project management principles were established and observed to be rigorously applied by Cathy Massarella. Combined with the excellent leadership displayed by Cathy and Colin Whittle, strong teamwork and considerable effort ensured the effective delivery of the project.
31. It was noted that the Committee prioritised its focus according to the degree of risk allocated to the workstreams by the project team but it is also accepted that not all risks can be fully identified and scoped at the outset of a project, and many will not remain static for its duration. Whilst the Metro Transition risk management process was effective, it was never truly tested by the materialisation of an unexpected yet significant risk. It is therefore suggested that, in future, a collaborative gateway exercise between the Committee and the project team is established at the project mid-point to jointly identify the remaining areas of potential greatest exposure and to explore and test the robustness of the proposed mitigations.
32. Nexus must also consider how it can best retain and utilise the skills of the now experienced Transition team in its future plans for the Metro.

Commercial and legal matters

33. This involved the development of a Head of Terms for the commercial agreement and legal input into the review of station, depot and fleet leases. From an early stage, the Committee was keen to emphasise the importance of dealing with the outstanding commercial issues as part of a comprehensive settlement rather than item by item. It is a clear success that a satisfactory commercial settlement was achieved in a timely manner.

D CONCLUSIONS

34. Whilst franchising and concessions have been an established aspect of the British rail industry for the past two decades, there are few other significant examples of an outsourced activity being brought back in-house, other than through default. Without any precedents to follow and despite the relatively small scale of resources, Nexus has specified, managed and delivered this project successfully, to time and to budget.
35. Considerable credit goes to the tireless efforts of the Metro Transition Director, Colin Whittle, whose contribution to the success of the project was outstanding. MTAC also wishes to acknowledge the exceptional performance of the whole Metro Transition team and the importance of Raymond Johnstone's input in his invited capacity. It has been a positive experience to work alongside such a capable and effective in-house unit.
36. Whilst MTAC's remit was narrow, this enabled a disciplined and focused approach from members. It is hoped that obtaining independent scrutiny in this way provided assurance to the project team, Nexus Corporate Management Team and the NECA. As the process ran smoothly, the level of challenge required from members was relatively low but when questions were raised, the project team embraced them and responded effectively.

Appendix A

Metro Transition Assurance Committee

Entity	Metro Transition Assurance Committee	From July 2016 to June 2017
Members	<ul style="list-style-type: none">• 3 x Independent Members (1 of whom will Chair)• 1 x NECA Representative	
By Invite	<ul style="list-style-type: none">• Metro Transition Director• Managing Director (Transport Operations)• Director of Finance and Resources• Director of Rail and Infrastructure• Others at the discretion of the Chair	
Meeting Frequency and Minutes	<ul style="list-style-type: none">• Four Weekly• Minutes to be issued in draft form to the Chair within 7 working days of the meeting by Nexus Secretariat who will also be responsible for distribution of Committee papers	
Quorum	Two Members.	
Terms of Reference		
The Metro Transition Assurance Committee will:		
<ul style="list-style-type: none">i. Review all aspects of the Metro Transition Project providing challenge where appropriate and recommending actions to be undertaken by the Project Team (to whom full access should be available) to ensure the Project is completed to plan, to time and to budget;ii. Provide the Nexus Corporate Management Team with professional and impartial advice as to the Metro Transition process leading to the transfer back of the Metro Concession Agreement to control of Nexus;iii. Meet on a four weekly basis to properly carry out its function;iv. Consider and make recommendations to the Corporate Management Team in relation to any matters arising during the Metro Transition process;		

- v. Provide a periodic report to the Corporate Management Team on the Metro Transition Project;
- vi. To provide a representative to the North East Combined Authority (Tyne and Wear Sub-Committee) to report independently upon the progress of the Metro Transition Project (who will be the Committee Chair);
- vii. To provide advice and recommendations to the Metro Transition Project Team on any issues arising during the course of the Metro Transition Project.



Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Metro Performance Update

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to provide an update on Metro performance for twelve weeks from 5 March 2017 to 27 May 2017 (Period 13 2016/17 and Periods 1 and 2 2017/18).

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to receive and consider the report and attached appendix giving details of Metro performance.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

1.1 The Concession Agreement between Nexus and DB Regio Tyne and Wear Limited (DBTW) expired at 01:59 hours on 1 April 2017. Nexus began managing Metro operations “in-house” from 1 April 2017. This followed closer and more direct management of DBTW by Nexus in the final year of the Concession Agreement.

1.2 Nexus set up a programme management approach to facilitate the transition from DBTW to Nexus and members have considered updates on the transition at previous meetings of this Sub-Committee. At a policy seminar, held in January 2017, members noted that the transition between operators elsewhere in the UK rail industry has sometimes resulted in a decline in performance.

1.3 Based on the experience elsewhere in the UK, members identified the need for this Sub-Committee to closely monitor the performance of Metro operations up to and following the transition. At the meeting of the Sub-Committee on 27 February 2017 members agreed performance measures to be reported to the Sub-Committee, and the format of the performance update.

1.4 This report sets out the Metro performance update for the twelve weeks from 5 March 2017 to 27 May 2017. Appendix 1 contains detailed commentary against the performance measures.

1.5 The last year of the Concession saw a more direct and involved management approach on the part of Nexus aimed at mitigating against a deterioration in output measure especially over the transition period. Reflecting this approach key measures show an improving trend, with punctuality and customer satisfaction both increasing. In the case of the former, this has seen the biggest year on year rise in six years, which recorded the moving annual average punctuality rise of 2.60% to the end of Period 13 2016/17. Specific to the three periods under focus in this report the underlying improving trend is despite a challenging Period 2 (30 April – 27 May), which saw a number of significant service disruptions of varying causes.

1.6 Some other measures show a mixed picture. It is considered that some of the deterioration is due to the transition, which saw a significant number of senior management changes taking place at the time of transition.

1.7

However, and most importantly in terms of moving forward, underlying performance is strong and plans are in place for areas where performance has been less favourable.

Transport North East (Tyne and Wear) Sub-Committee

2. Proposals

- 2.1 The Committee is invited to consider and comment upon the performance of Metro during the relevant period.

3. Reasons for the Proposals

- 3.1 The Committee's comments will inform future actions to improve Metro performance.

4. Alternative Options Available

- 4.1 There are no alternative options as the report is for information only.

5. Next Steps and Timetable for Implementation

- 5.1 The next performance update will be presented at the September 2017 meeting of the Committee.

6. Potential Impact on Objectives

- 6.1 Performance monitoring and review can help ensure the achievement of desired outcomes.

7. Financial and Other Resources Implications

- 7.1 There are no direct financial or resource considerations arising from this report.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this report.

9. Key Risks

- 9.1 There are no specific risk management considerations arising from this report. Applying performance management can help mitigate and avoid the occurrence of risks.

10. Equality and Diversity

- 10.1 There are no specific equalities and diversity considerations arising from this report.

Transport North East (Tyne and Wear) Sub-Committee

11. Crime and Disorder

- 11.1 There are no specific crime and disorder considerations arising from this report.

12. Consultation/Engagement

- 12.1 There are no specific consultation/engagement considerations arising from this report.

13. Other Impact of the Proposals

- 13.1 There are no other specific impacts of the proposals.

14. Appendices

- 14.1 Appendix 1 – Metro performance update report

15. Background Papers

- 15.1 None

16. Contact Officers

- 16.1 Tobyn Hughes
Managing Director (Transport Operations)
E-mail: tobyn.hughes@nexus.org.uk
Tel: 0191 203 3246

17. Sign off

- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

See glossary within Appendix 1

Transport North East (Tyne and Wear) Sub-Committee

Appendix 1



Metro performance update

Period 13 2016/17 – Period 2 2017/18

(5 March 2017 to 27 May 2017)

Punctuality: **87.6%**
81.8% Last year

Customer
Satisfaction: **7.8 / 10** May 2017
7.7 / 10 November 2016
7.4 / 10 May 2016

Transport North East (Tyne and Wear) Sub-Committee

Glossary of terms

EHWM - Excess Headway Minutes, the method by which delays experienced by passengers are measured. The total EHWM for any period is subject to an attribution process resulting to an agreed allocation across the Operator, Nexus Rail, Network Rail and Other/disputed depending on the identified causation.

LRA - Low Rail Adhesion - Leaves falling on tracks are compressed and become a slippery substance that is difficult to remove and creates greasy track conditions known as Low Rail Adhesion.

MAA – moving annual average - the average for the past 13 periods (i.e. 12 months) including the 4-week period being reported on.

Metrocar kilometres per 4+ Excess Headway Minute fault – is calculated as the total number of fleet failures affecting the Metro service by four minutes or more divided by the total fleet kilometres in the period being reviewed.

Metro Customer Satisfaction Score – the result of a tracking survey that is carried out in May and November each year.

Network Rail – the statutory infrastructure provider maintaining the railway and providing the power and signalling for the tracks and stations between Pelaw and South Hylton via Sunderland.

Nexus Rail – the division of Nexus responsible for providing and maintaining the Metro infrastructure including the track and stations owned by Nexus.

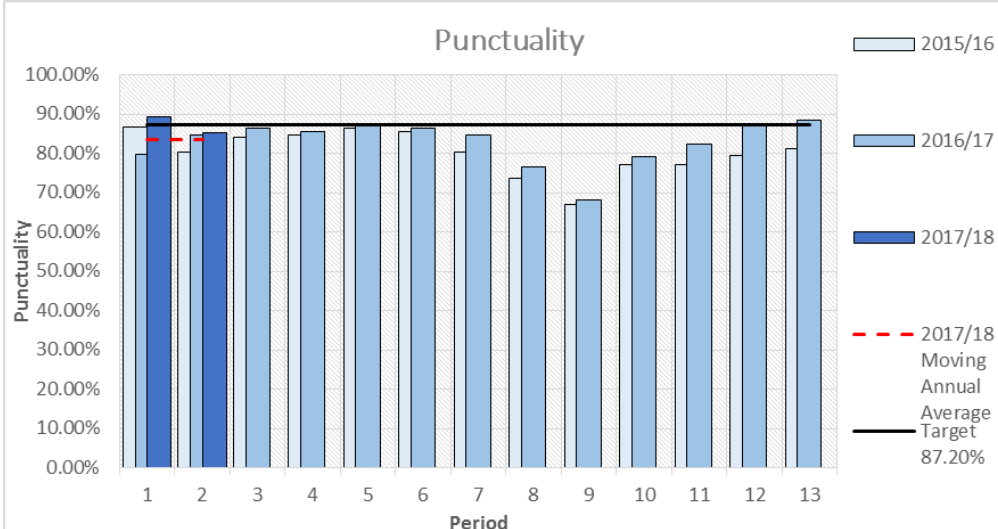
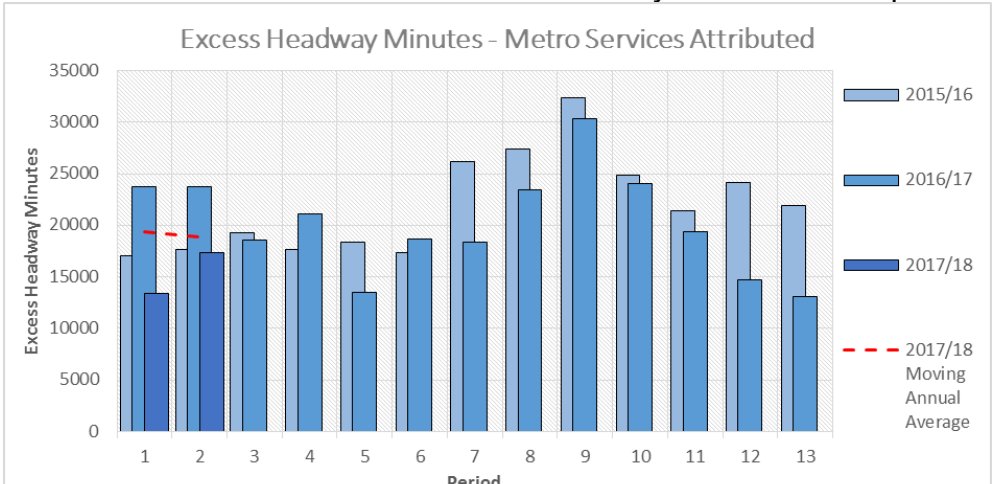
Patronage – the number of passenger boardings for a service, mode or area over a specified period normally arrived at by survey, the use of ticket machine data or some combination of both. Often used interchangeably with Ridership.

Period – 4-week periods (there are 13 in each financial year) used for financial, accounting and performance measurement purposes.

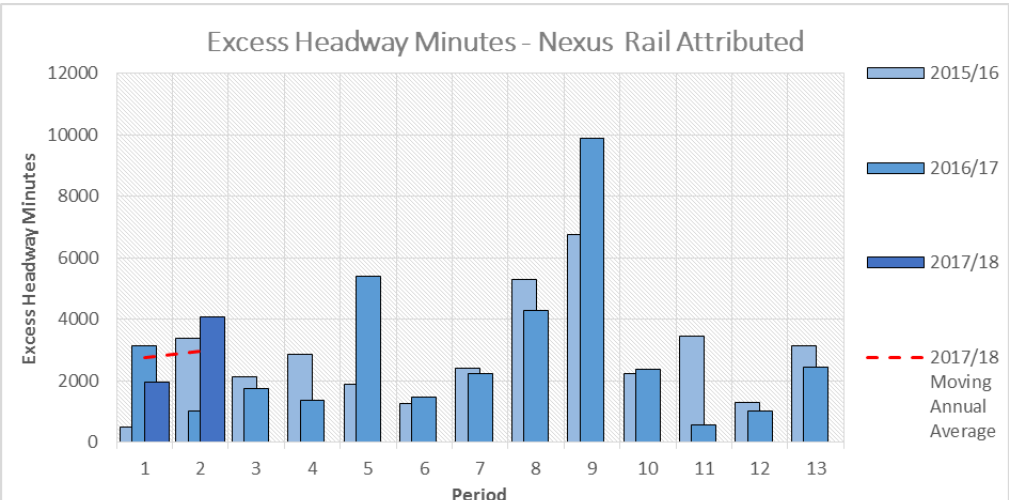
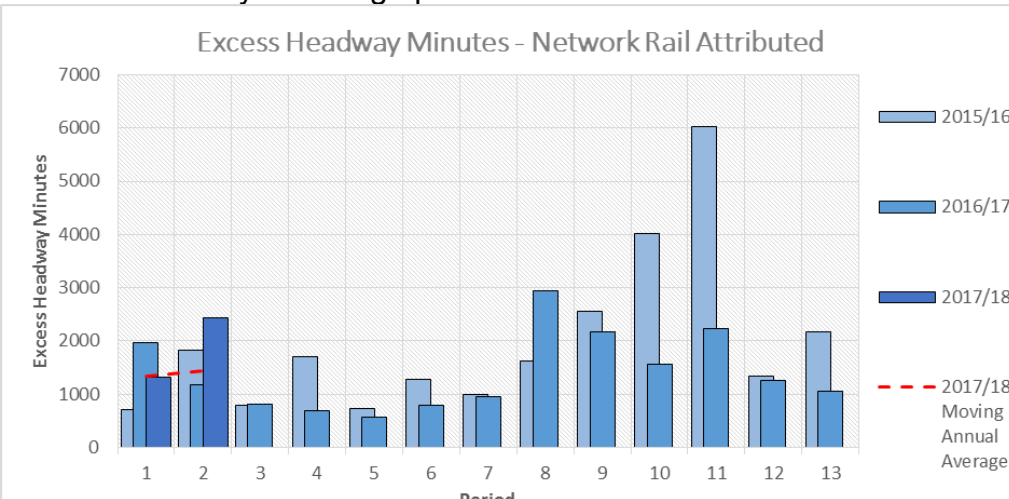
Punctuality – measurement of train punctuality as set out in the Metro Passenger Charter; measures the percentage of trains arriving within three minutes later or within 29 seconds earlier than scheduled.

SQR – Service Quality Regime - the means by which quality standards on stations and trains is measured

Transport North East (Tyne and Wear) Sub-Committee

Operational performance																																																									
Indicator:	Performance and Key Considerations:																																																								
Punctuality	<p>During the three periods leading up to 27 May a punctuality figure of 87.6% was achieved by Metro compared to 81.8% over the same twelve weeks last year. Period 13 2016/17 and Period 1 2017/18 exceeded the 87.2% target (88.42% and 89.36% respectively), but performance in Period 2 2017/18 at 85.10% was affected by a number of significant disruptions which are detailed in the rest of this section. From Period 12 2016/17 to Period 1 2017/18 the target of 87.2% was met for three consecutive periods, the first time in five years.</p>  <table border="1"><caption>Punctuality Data (Estimated %)</caption><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>80.00</td><td>82.00</td><td>88.42</td></tr><tr><td>2</td><td>82.00</td><td>84.00</td><td>85.10</td></tr><tr><td>3</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>4</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>5</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>6</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>7</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>8</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>9</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>10</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>11</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>12</td><td>84.00</td><td>86.00</td><td>86.00</td></tr><tr><td>13</td><td>84.00</td><td>86.00</td><td>89.36</td></tr></tbody></table>	Period	2015/16	2016/17	2017/18	1	80.00	82.00	88.42	2	82.00	84.00	85.10	3	84.00	86.00	86.00	4	84.00	86.00	86.00	5	84.00	86.00	86.00	6	84.00	86.00	86.00	7	84.00	86.00	86.00	8	84.00	86.00	86.00	9	84.00	86.00	86.00	10	84.00	86.00	86.00	11	84.00	86.00	86.00	12	84.00	86.00	86.00	13	84.00	86.00	89.36
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Excess Headway Minutes (Metro Services)	<p>Just over 14,600 Excess Headway Minutes per four-week period was allocated to the Operator over the twelve weeks under review, a reduction of approximately 5,000 Excess Headway Minutes per four-week period when compared with the previous three periods. This also represents an improvement on the same three periods last year. Two fleet issues caused significant disruption during Period 2 and accounted for the increase in Excess Headway Minutes in this period.</p>  <table border="1"><caption>Excess Headway Minutes Data (Estimated)</caption><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>17000</td><td>24000</td><td>13500</td></tr><tr><td>2</td><td>17500</td><td>24000</td><td>17500</td></tr><tr><td>3</td><td>19000</td><td>19000</td><td>18500</td></tr><tr><td>4</td><td>17500</td><td>21000</td><td>17500</td></tr><tr><td>5</td><td>18000</td><td>18000</td><td>13500</td></tr><tr><td>6</td><td>17500</td><td>18500</td><td>18500</td></tr><tr><td>7</td><td>26000</td><td>18500</td><td>18500</td></tr><tr><td>8</td><td>27500</td><td>23500</td><td>18500</td></tr><tr><td>9</td><td>32500</td><td>30500</td><td>18500</td></tr><tr><td>10</td><td>25000</td><td>24500</td><td>18500</td></tr><tr><td>11</td><td>21500</td><td>19500</td><td>18500</td></tr><tr><td>12</td><td>24500</td><td>14500</td><td>18500</td></tr><tr><td>13</td><td>22000</td><td>13500</td><td>18500</td></tr></tbody></table>	Period	2015/16	2016/17	2017/18	1	17000	24000	13500	2	17500	24000	17500	3	19000	19000	18500	4	17500	21000	17500	5	18000	18000	13500	6	17500	18500	18500	7	26000	18500	18500	8	27500	23500	18500	9	32500	30500	18500	10	25000	24500	18500	11	21500	19500	18500	12	24500	14500	18500	13	22000	13500	18500
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Transport North East (Tyne and Wear) Sub-Committee

<p>Excess Headway Minutes (Nexus Rail)</p>	<p>An average of 2,800 Excess Headway Minutes per four-week period was allocated to Nexus Rail; this is an increase of 1,500 Excess Headway Minutes per four-week period compared with the previous three periods, and 400 Excess Headway Minutes per four-week period higher than the same periods in the previous year. Performance was mainly affected by incidents during Period 2 which caused significant disruption; flooding at Ilford Road due to a burst water main on 17 May 2017, and a fault to the signalling power supply at Wallsend on 24 May 2017.</p>																																																								
	<p>Excess Headway Minutes - Nexus Rail Attributed</p>  <table border="1"><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>3000</td><td>2000</td><td>2000</td></tr><tr><td>2</td><td>3000</td><td>1000</td><td>4000</td></tr><tr><td>3</td><td>2000</td><td>1500</td><td>1500</td></tr><tr><td>4</td><td>2800</td><td>1200</td><td>1200</td></tr><tr><td>5</td><td>1800</td><td>5500</td><td>1800</td></tr><tr><td>6</td><td>1200</td><td>1500</td><td>1500</td></tr><tr><td>7</td><td>2200</td><td>2200</td><td>2200</td></tr><tr><td>8</td><td>5200</td><td>4200</td><td>4200</td></tr><tr><td>9</td><td>6800</td><td>9800</td><td>9800</td></tr><tr><td>10</td><td>2200</td><td>2200</td><td>2200</td></tr><tr><td>11</td><td>3200</td><td>500</td><td>500</td></tr><tr><td>12</td><td>1200</td><td>1000</td><td>1000</td></tr><tr><td>13</td><td>3000</td><td>2200</td><td>2200</td></tr></tbody></table>	Period	2015/16	2016/17	2017/18	1	3000	2000	2000	2	3000	1000	4000	3	2000	1500	1500	4	2800	1200	1200	5	1800	5500	1800	6	1200	1500	1500	7	2200	2200	2200	8	5200	4200	4200	9	6800	9800	9800	10	2200	2200	2200	11	3200	500	500	12	1200	1000	1000	13	3000	2200	2200
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<p>Excess Headway Minutes (Network Rail)</p>	<p>An average of 1,300 Excess Headway Minutes per four-week period were allocated to Network Rail, this is an improvement of 300 Excess Headway Minutes per four-week period when compared with the previous three periods and an improvement of 400 Excess Headway Minutes per four-week period when compared with the same time last year. An overhead line fault on 23 May 2017 caused the most significant disruption to service, although other faults have also resulted in service suspensions on the Network Rail section of line. Nexus is currently following up these matters with Network Rail.</p>																																																								
	<p>Excess Headway Minutes - Network Rail Attributed</p>  <table border="1"><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>1800</td><td>1200</td><td>1200</td></tr><tr><td>2</td><td>1800</td><td>1200</td><td>2200</td></tr><tr><td>3</td><td>800</td><td>800</td><td>800</td></tr><tr><td>4</td><td>1600</td><td>600</td><td>600</td></tr><tr><td>5</td><td>700</td><td>600</td><td>600</td></tr><tr><td>6</td><td>1200</td><td>800</td><td>800</td></tr><tr><td>7</td><td>1000</td><td>1000</td><td>1000</td></tr><tr><td>8</td><td>1500</td><td>2800</td><td>2800</td></tr><tr><td>9</td><td>2500</td><td>2200</td><td>2200</td></tr><tr><td>10</td><td>4000</td><td>1500</td><td>1500</td></tr><tr><td>11</td><td>6000</td><td>2200</td><td>2200</td></tr><tr><td>12</td><td>1200</td><td>1200</td><td>1200</td></tr><tr><td>13</td><td>2200</td><td>1000</td><td>1000</td></tr></tbody></table>	Period	2015/16	2016/17	2017/18	1	1800	1200	1200	2	1800	1200	2200	3	800	800	800	4	1600	600	600	5	700	600	600	6	1200	800	800	7	1000	1000	1000	8	1500	2800	2800	9	2500	2200	2200	10	4000	1500	1500	11	6000	2200	2200	12	1200	1200	1200	13	2200	1000	1000
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Fleet performance																																																									
Indicator:	Performance and Key Considerations:																																																								
Metrocar kilometres per 4+ Excess Headway Minute fault	<p>Performance was an average of 7,652km per fault in the three four-week periods to 27 May. This is a slight improvement from the previous three periods which saw the average at 7,053km per fault. Whilst this has been boosted by a relatively high km per fault during Period 1, it remains better than the same time last year. Fleet failures remain a significant challenge to improving overall punctuality.</p> <div><p>Metrocar KM / 4 Minute Fault</p><table><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>5800</td><td>5200</td><td>9800</td></tr><tr><td>2</td><td>6200</td><td>4500</td><td>6500</td></tr><tr><td>3</td><td>7200</td><td>4800</td><td>6800</td></tr><tr><td>4</td><td>8200</td><td>4800</td><td>6800</td></tr><tr><td>5</td><td>7800</td><td>9000</td><td>6800</td></tr><tr><td>6</td><td>6800</td><td>6800</td><td>6800</td></tr><tr><td>7</td><td>8000</td><td>8200</td><td>6800</td></tr><tr><td>8</td><td>7800</td><td>7500</td><td>6800</td></tr><tr><td>9</td><td>6500</td><td>7500</td><td>6800</td></tr><tr><td>10</td><td>7000</td><td>6800</td><td>6800</td></tr><tr><td>11</td><td>6800</td><td>7500</td><td>6800</td></tr><tr><td>12</td><td>5500</td><td>6800</td><td>6800</td></tr><tr><td>13</td><td>6200</td><td>6500</td><td>6800</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	5800	5200	9800	2	6200	4500	6500	3	7200	4800	6800	4	8200	4800	6800	5	7800	9000	6800	6	6800	6800	6800	7	8000	8200	6800	8	7800	7500	6800	9	6500	7500	6800	10	7000	6800	6800	11	6800	7500	6800	12	5500	6800	6800	13	6200	6500	6800
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Peak fleet availability	<p>Peak fleet availability in the twelve weeks ending 27 May saw the full service delivery requirement being met on 54% (62/114) of the weekday morning and evening peaks compared to 76% (92/120) in the preceding twelve weeks. Peak fleet availability has been affected by the number of Metrocars requiring major repairs which are both time-consuming and require components to be sent away for specialist repair.</p> <div><p>Peak Fleet Availability</p><table><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>58%</td><td>28%</td><td>62%</td></tr><tr><td>2</td><td>48%</td><td>2%</td><td>48%</td></tr><tr><td>3</td><td>55%</td><td>10%</td><td>2%</td></tr><tr><td>4</td><td>88%</td><td>20%</td><td>2%</td></tr><tr><td>5</td><td>95%</td><td>48%</td><td>2%</td></tr><tr><td>6</td><td>82%</td><td>32%</td><td>2%</td></tr><tr><td>7</td><td>82%</td><td>35%</td><td>2%</td></tr><tr><td>8</td><td>82%</td><td>30%</td><td>2%</td></tr><tr><td>9</td><td>65%</td><td>38%</td><td>2%</td></tr><tr><td>10</td><td>42%</td><td>42%</td><td>2%</td></tr><tr><td>11</td><td>42%</td><td>50%</td><td>2%</td></tr><tr><td>12</td><td>82%</td><td>18%</td><td>2%</td></tr><tr><td>13</td><td>58%</td><td>72%</td><td>2%</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	58%	28%	62%	2	48%	2%	48%	3	55%	10%	2%	4	88%	20%	2%	5	95%	48%	2%	6	82%	32%	2%	7	82%	35%	2%	8	82%	30%	2%	9	65%	38%	2%	10	42%	42%	2%	11	42%	50%	2%	12	82%	18%	2%	13	58%	72%	2%
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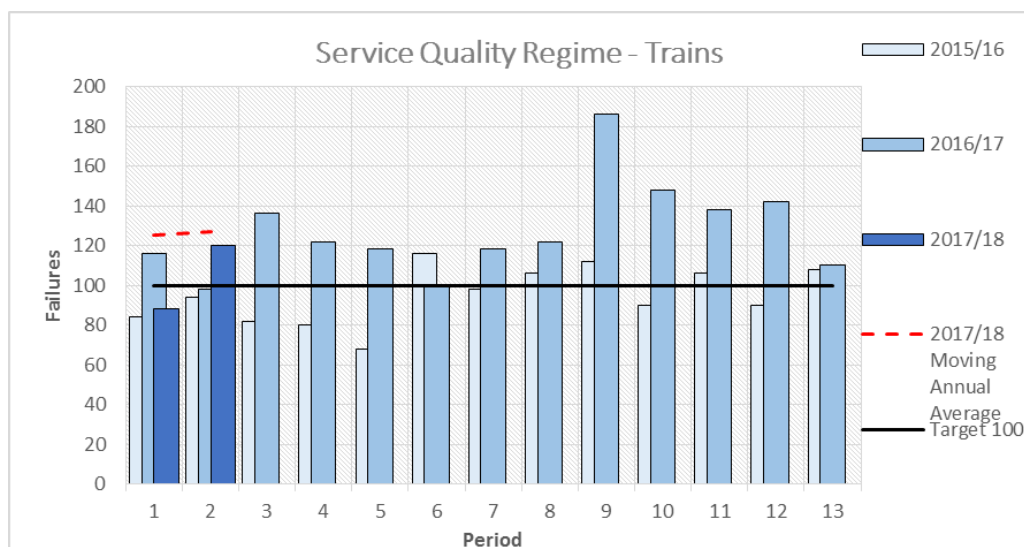
Transport North East (Tyne and Wear) Sub-Committee

Customer experience																																																									
Indicator:	Performance and Key Considerations:																																																								
Customer Satisfaction Survey	<p>The May 2017 Metro Customer Satisfaction Survey (CSS) score rose to 7.8, an improvement on both the November 2016 score of 7.7 and the May 2016 score of 7.4. The score remains short of the 8.3 target. A Metro Improvement Plan is in place to increase customer satisfaction.</p> <div><p>Customer Satisfaction Survey - Overall Satisfaction</p><table><thead><tr><th>Fiscal Year</th><th>May</th><th>Nov</th></tr></thead><tbody><tr><td>2010/11</td><td>7.9</td><td></td></tr><tr><td>2011/12</td><td></td><td>8.0</td></tr><tr><td>2012/13</td><td>8.0</td><td></td></tr><tr><td>2013/14</td><td></td><td>8.0</td></tr><tr><td>2014/15</td><td>8.0</td><td></td></tr><tr><td>2015/16</td><td></td><td>7.6</td></tr><tr><td>2016/17</td><td>7.4</td><td></td></tr><tr><td>2017/18</td><td></td><td>7.7</td></tr></tbody></table></div>	Fiscal Year	May	Nov	2010/11	7.9		2011/12		8.0	2012/13	8.0		2013/14		8.0	2014/15	8.0		2015/16		7.6	2016/17	7.4		2017/18		7.7																													
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Service Quality Regime – Stations	<p>An average of 60 fails were recorded per 4-week period, in the twelve weeks to 27 May. This is an improvement from the previous twelve weeks which saw an average of 69 fails per 4-week period, but remains above the target of 55. Graffiti levels continue to be the main driver of fails, with resources being directed to identify and then remove graffiti as quickly as possible.</p> <div><p>Service Quality Regime - Stations</p><table><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>65</td><td>48</td><td>55</td></tr><tr><td>2</td><td>60</td><td>45</td><td>65</td></tr><tr><td>3</td><td>60</td><td>58</td><td>55</td></tr><tr><td>4</td><td>82</td><td>52</td><td></td></tr><tr><td>5</td><td>60</td><td>72</td><td></td></tr><tr><td>6</td><td>75</td><td>58</td><td></td></tr><tr><td>7</td><td>75</td><td>55</td><td></td></tr><tr><td>8</td><td>58</td><td>45</td><td></td></tr><tr><td>9</td><td>65</td><td>50</td><td></td></tr><tr><td>10</td><td>55</td><td>68</td><td></td></tr><tr><td>11</td><td></td><td>72</td><td></td></tr><tr><td>12</td><td></td><td>65</td><td></td></tr><tr><td>13</td><td></td><td>58</td><td></td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	65	48	55	2	60	45	65	3	60	58	55	4	82	52		5	60	72		6	75	58		7	75	55		8	58	45		9	65	50		10	55	68		11		72		12		65		13		58	
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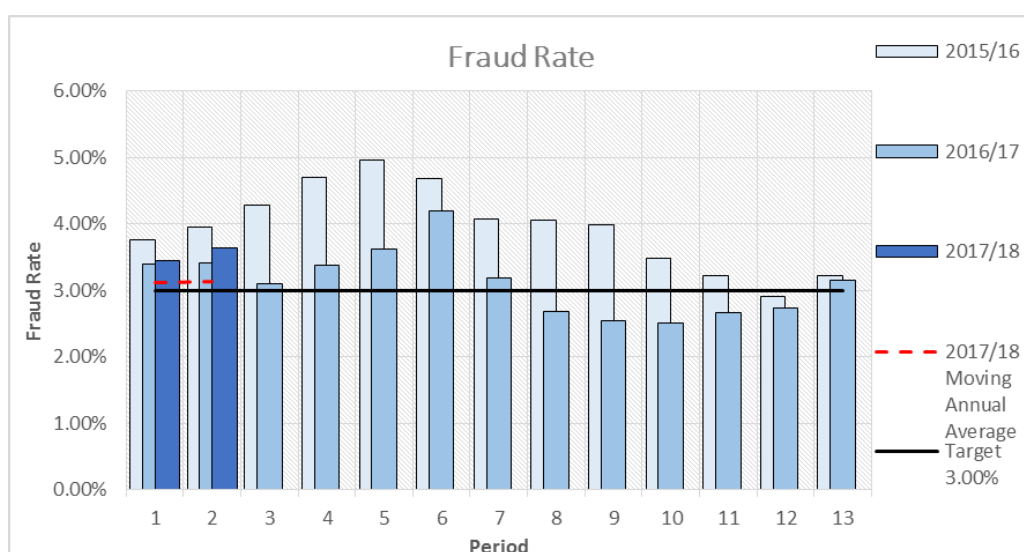
Service Quality Regime – Metrocars

An average of 106 fails per 4-week period were recorded in the twelve weeks to 27 May. This is an improvement on the 143 fails per 4-week period recorded in the previous twelve weeks, but virtually static compared with the same twelve weeks last year. With failures being recorded across a range of indicators, the focus is on ensuring issues are identified and addressed quickly.

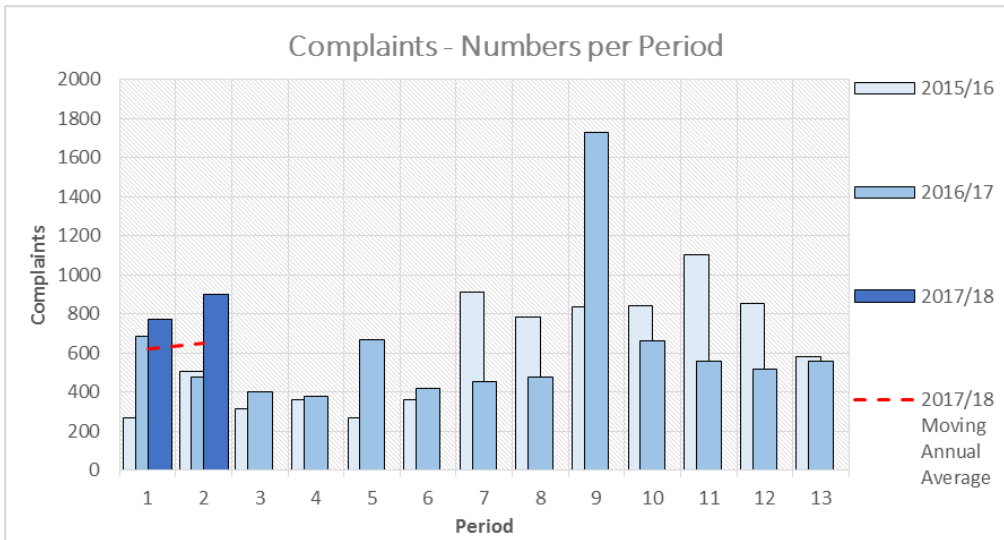
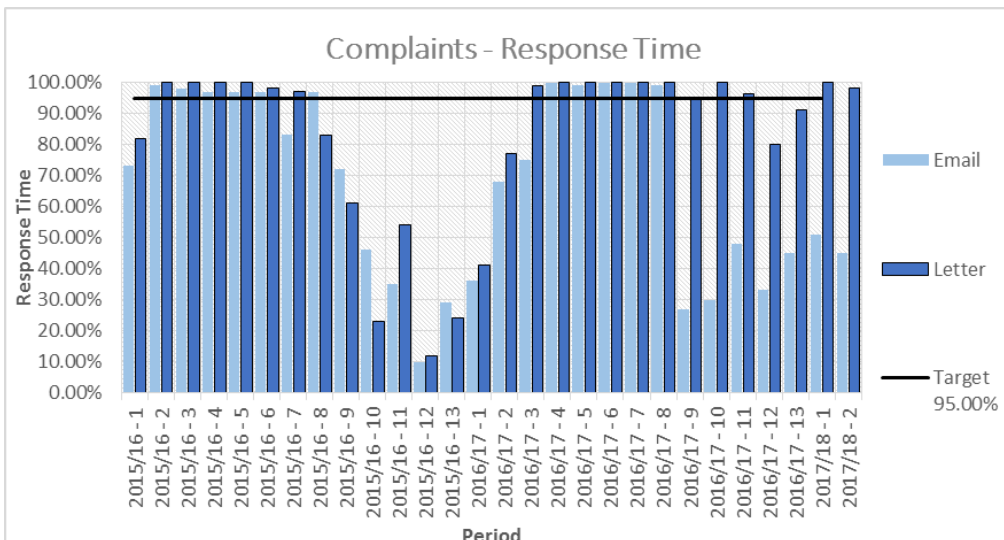


Fraud rate

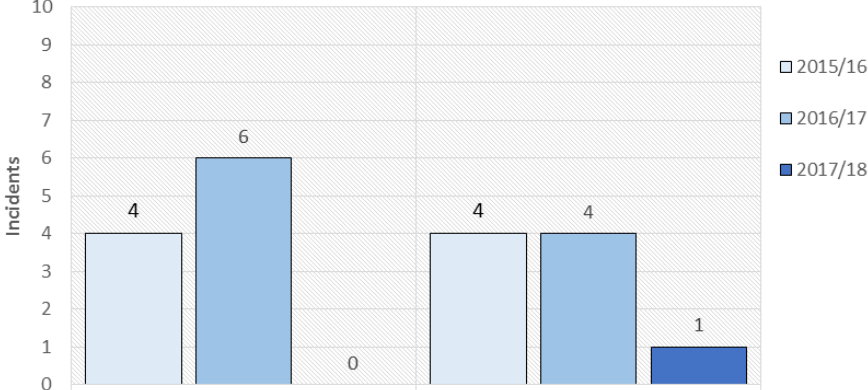
The fraud rate has increased over the last twelve-week period, with an average level of 3.4%. This is also slightly worse than the same twelve-week period last year, which had a fraud rate of just over 3.3%.

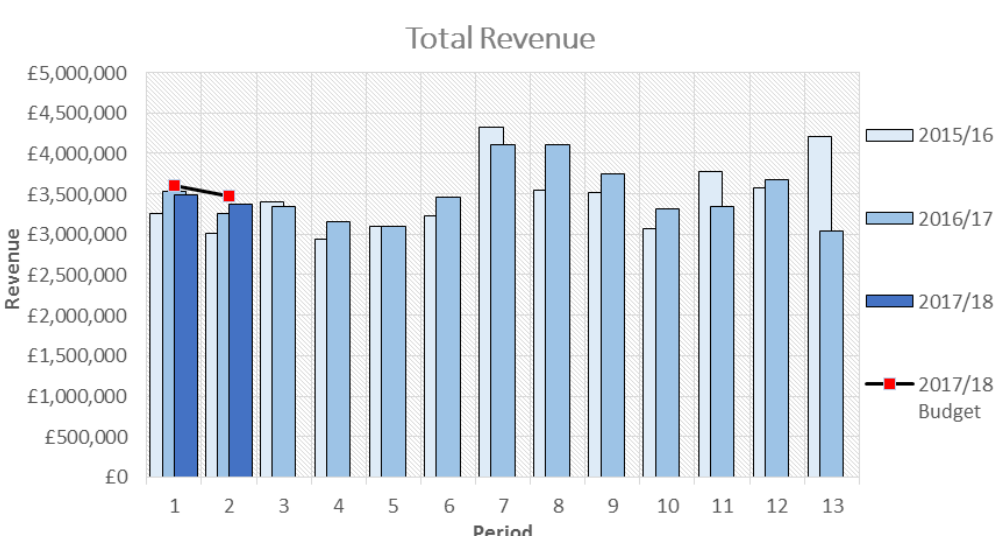


Transport North East (Tyne and Wear) Sub-Committee

Complaints numbers	<p>Complaints numbers increased over the twelve-week period to 27 May, with an average of 740 per 4-week period. The numbers have been particularly affected by the significant disruption events during Period 2.</p>  <table><caption>Complaints - Numbers per Period</caption><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>1</td><td>250</td><td>680</td><td>780</td></tr><tr><td>2</td><td>500</td><td>900</td><td>900</td></tr><tr><td>3</td><td>300</td><td>400</td><td>400</td></tr><tr><td>4</td><td>350</td><td>380</td><td>380</td></tr><tr><td>5</td><td>250</td><td>680</td><td>680</td></tr><tr><td>6</td><td>350</td><td>420</td><td>420</td></tr><tr><td>7</td><td>900</td><td>450</td><td>450</td></tr><tr><td>8</td><td>780</td><td>480</td><td>480</td></tr><tr><td>9</td><td>820</td><td>1750</td><td>820</td></tr><tr><td>10</td><td>850</td><td>680</td><td>680</td></tr><tr><td>11</td><td>1100</td><td>580</td><td>580</td></tr><tr><td>12</td><td>850</td><td>520</td><td>520</td></tr><tr><td>13</td><td>580</td><td>580</td><td>580</td></tr></tbody></table>	Period	2015/16	2016/17	2017/18	1	250	680	780	2	500	900	900	3	300	400	400	4	350	380	380	5	250	680	680	6	350	420	420	7	900	450	450	8	780	480	480	9	820	1750	820	10	850	680	680	11	1100	580	580	12	850	520	520	13	580	580	580																															
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Complaints response time	<p>Reflecting the higher levels of complaints, response times remain below target. This is a continuation of the trend seen in previous years. Work is taking place to address causes of dissatisfaction and hence reduce the number of complaints, although levels are driven by major disruptions to the service when customers write to complain and request a refund.</p>  <table><caption>Complaints - Response Time</caption><thead><tr><th>Period</th><th>Email (%)</th><th>Letter (%)</th></tr></thead><tbody><tr><td>2015/16-1</td><td>75.00</td><td>82.00</td></tr><tr><td>2015/16-2</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-3</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-4</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-5</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-6</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-7</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-8</td><td>98.00</td><td>98.00</td></tr><tr><td>2015/16-9</td><td>70.00</td><td>62.00</td></tr><tr><td>2015/16-10</td><td>45.00</td><td>22.00</td></tr><tr><td>2015/16-11</td><td>35.00</td><td>55.00</td></tr><tr><td>2015/16-12</td><td>10.00</td><td>12.00</td></tr><tr><td>2015/16-13</td><td>30.00</td><td>25.00</td></tr><tr><td>2016/17-1</td><td>35.00</td><td>42.00</td></tr><tr><td>2016/17-2</td><td>68.00</td><td>78.00</td></tr><tr><td>2016/17-3</td><td>75.00</td><td>98.00</td></tr><tr><td>2016/17-4</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-5</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-6</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-7</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-8</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-9</td><td>28.00</td><td>30.00</td></tr><tr><td>2016/17-10</td><td>98.00</td><td>98.00</td></tr><tr><td>2016/17-11</td><td>48.00</td><td>98.00</td></tr><tr><td>2016/17-12</td><td>32.00</td><td>80.00</td></tr><tr><td>2016/17-13</td><td>45.00</td><td>98.00</td></tr><tr><td>2017/18-1</td><td>52.00</td><td>98.00</td></tr><tr><td>2017/18-2</td><td>45.00</td><td>98.00</td></tr></tbody></table>	Period	Email (%)	Letter (%)	2015/16-1	75.00	82.00	2015/16-2	98.00	98.00	2015/16-3	98.00	98.00	2015/16-4	98.00	98.00	2015/16-5	98.00	98.00	2015/16-6	98.00	98.00	2015/16-7	98.00	98.00	2015/16-8	98.00	98.00	2015/16-9	70.00	62.00	2015/16-10	45.00	22.00	2015/16-11	35.00	55.00	2015/16-12	10.00	12.00	2015/16-13	30.00	25.00	2016/17-1	35.00	42.00	2016/17-2	68.00	78.00	2016/17-3	75.00	98.00	2016/17-4	98.00	98.00	2016/17-5	98.00	98.00	2016/17-6	98.00	98.00	2016/17-7	98.00	98.00	2016/17-8	98.00	98.00	2016/17-9	28.00	30.00	2016/17-10	98.00	98.00	2016/17-11	48.00	98.00	2016/17-12	32.00	80.00	2016/17-13	45.00	98.00	2017/18-1	52.00	98.00	2017/18-2	45.00	98.00
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Transport North East (Tyne and Wear) Sub-Committee

Safety													
Indicator:	Performance and Key Considerations:												
Number of accidents	<p>Staff RIDDOR incidents for 2016/17 remained in line with the previous year. Public RIDDOR incidents in 2016/17 increased compared with 2015/16 but with a low number overall; the number of other public accidents remained broadly stable. There has been one staff RIDDOR reportable accident in 2017/18 to date.</p> <div><p>RIDDOR Reportable Incidents</p><table><thead><tr><th>Type</th><th>2015/16</th><th>2016/17</th><th>2017/18</th></tr></thead><tbody><tr><td>Public</td><td>4</td><td>6</td><td>0</td></tr><tr><td>Staff</td><td>4</td><td>4</td><td>1</td></tr></tbody></table></div>	Type	2015/16	2016/17	2017/18	Public	4	6	0	Staff	4	4	1
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Staff	4	4	1										

Farebox																																																																							
Indicator:	Performance and Key Considerations:																																																																						
Total Farebox revenue	<p>Total revenue for 2016/17 was £45.16m v budget of £44.95m (+0.5%). Total revenue for the year to date currently stands at £6.85m v budget of £7.08m (-3.2%). Periodic performance versus previous years and budget is shown below.</p> <div><p>Total Revenue</p><table><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th><th>2017/18 Budget</th></tr></thead><tbody><tr><td>1</td><td>£3,200,000</td><td>£3,500,000</td><td>£3,500,000</td><td>£3,600,000</td></tr><tr><td>2</td><td>£3,000,000</td><td>£3,200,000</td><td>£3,400,000</td><td>£3,500,000</td></tr><tr><td>3</td><td>£3,400,000</td><td>£3,400,000</td><td></td><td></td></tr><tr><td>4</td><td>£2,900,000</td><td>£3,100,000</td><td></td><td></td></tr><tr><td>5</td><td>£3,100,000</td><td>£3,100,000</td><td></td><td></td></tr><tr><td>6</td><td>£3,200,000</td><td>£3,400,000</td><td></td><td></td></tr><tr><td>7</td><td>£4,300,000</td><td>£4,100,000</td><td></td><td></td></tr><tr><td>8</td><td>£3,500,000</td><td>£4,100,000</td><td></td><td></td></tr><tr><td>9</td><td>£3,500,000</td><td>£3,700,000</td><td></td><td></td></tr><tr><td>10</td><td>£3,100,000</td><td>£3,300,000</td><td></td><td></td></tr><tr><td>11</td><td>£3,700,000</td><td>£3,300,000</td><td></td><td></td></tr><tr><td>12</td><td>£3,500,000</td><td>£3,600,000</td><td></td><td></td></tr><tr><td>13</td><td>£4,200,000</td><td>£3,000,000</td><td></td><td></td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	2017/18 Budget	1	£3,200,000	£3,500,000	£3,500,000	£3,600,000	2	£3,000,000	£3,200,000	£3,400,000	£3,500,000	3	£3,400,000	£3,400,000			4	£2,900,000	£3,100,000			5	£3,100,000	£3,100,000			6	£3,200,000	£3,400,000			7	£4,300,000	£4,100,000			8	£3,500,000	£4,100,000			9	£3,500,000	£3,700,000			10	£3,100,000	£3,300,000			11	£3,700,000	£3,300,000			12	£3,500,000	£3,600,000			13	£4,200,000	£3,000,000		
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Transport North East (Tyne and Wear) Sub-Committee

Patronage																																																																							
Indicator:	Performance and Key Considerations:																																																																						
Total Patronage	<p>Total patronage for the year as at Period 2 stands at 5.8m v target of 5.8m (+0.1%). Periodic performance versus the previous two years and versus target is shown below.</p> <div><p>Total Patronage</p><table><thead><tr><th>Period</th><th>2015/16</th><th>2016/17</th><th>2017/18</th><th>2017/18 Target</th></tr></thead><tbody><tr><td>1</td><td>2,900,000</td><td>2,900,000</td><td>2,900,000</td><td>2,900,000</td></tr><tr><td>2</td><td>3,000,000</td><td>2,900,000</td><td>2,900,000</td><td>2,900,000</td></tr><tr><td>3</td><td>3,000,000</td><td>2,700,000</td><td></td><td>2,700,000</td></tr><tr><td>4</td><td>3,100,000</td><td>3,000,000</td><td></td><td>3,000,000</td></tr><tr><td>5</td><td>2,900,000</td><td>2,700,000</td><td></td><td>2,700,000</td></tr><tr><td>6</td><td>3,000,000</td><td>3,000,000</td><td></td><td>3,000,000</td></tr><tr><td>7</td><td>3,500,000</td><td>2,900,000</td><td></td><td>2,900,000</td></tr><tr><td>8</td><td>3,200,000</td><td>3,000,000</td><td></td><td>3,000,000</td></tr><tr><td>9</td><td>3,400,000</td><td>3,100,000</td><td></td><td>3,100,000</td></tr><tr><td>10</td><td>2,900,000</td><td>2,800,000</td><td></td><td>2,800,000</td></tr><tr><td>11</td><td>3,000,000</td><td>2,700,000</td><td></td><td>2,700,000</td></tr><tr><td>12</td><td>3,000,000</td><td>2,800,000</td><td></td><td>2,800,000</td></tr><tr><td>13</td><td>2,800,000</td><td>2,900,000</td><td></td><td>2,900,000</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	2017/18 Target	1	2,900,000	2,900,000	2,900,000	2,900,000	2	3,000,000	2,900,000	2,900,000	2,900,000	3	3,000,000	2,700,000		2,700,000	4	3,100,000	3,000,000		3,000,000	5	2,900,000	2,700,000		2,700,000	6	3,000,000	3,000,000		3,000,000	7	3,500,000	2,900,000		2,900,000	8	3,200,000	3,000,000		3,000,000	9	3,400,000	3,100,000		3,100,000	10	2,900,000	2,800,000		2,800,000	11	3,000,000	2,700,000		2,700,000	12	3,000,000	2,800,000		2,800,000	13	2,800,000	2,900,000		2,900,000
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Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Monitoring Nexus' Performance 2016/17

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to provide a general review of Nexus' performance against its Corporate Business Plan (CBP) for 2016/17.

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to note the report.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

1.1 This report provides a review of Nexus' performance against its Corporate Business Plan (CBP) for 2016/17 which was approved at the Transport north East (Tyne and Wear) Sub-Committee meeting on 28 January 2016.

1.2 Nexus' CBP for 2016/17 had four main themes and fifteen workstreams and periodic update reports on progress against the plan have been submitted to meetings of the Transport North East (Tyne and Wear) Sub-Committee so that it can carry out the monitoring of Nexus performance in accordance with the responsibilities and functions set out in the NECA's Constitution.

1.3 Over the year notable achievements included:-

- Successful transition of the operation of the Metro system to Nexus direct control from 1 April 2017, involving detailed planning and the TUPE (Transfer of Undertakings (Protection of Employment) Regulations) transfer of just over 500 employees;
- Development of the business case for investment in new rolling stock for the Metro system, including a public consultation attracting over 3,000 responses, and a positive outcome from the government's 'OGC gateway review' (Office of Government Commerce) of the project;
- Successful delivery of an enhanced Metro service for the day of the Great North Run with zero infrastructure failures on the network, 546 tweets on 11 September with the overwhelming messages being positive (the highest ever figure for an operational day) and only two written customer complaints in 2016 compared with 517 in 2015.
- A surplus of £1.130m before consolidation, taxation and movements in capital reserves was reported at the year-end;
- A further £1.6m of efficiency savings have been targeted for delivery in the new financial year, necessary to absorb a further reduction in grant funding from the NECA, whilst at the same time, ensuring to the continued protection of frontline services;
- Launch of Live Travel Map and bus Real Time information, making a significant improvement in bus departure information accessed via smartphones and the internet;
- Participation in Great North Snowdogs event, helping to raise £367,000 for St Oswald's Hospice. The event is estimated to have generated an overall increase of 3% in take-up of short-term (single and day) tickets by adults and children in the Metro leisure travel market, generating additional fare revenue valued at £166,000, and contributing £16m to the wider local economy;
- An actual outturn of £35.647m in delivery of the Metro ARP, which being within 1% of the target spend level represents the closest to target outturn

Transport North East (Tyne and Wear) Sub-Committee

since the refurbishment programme commenced in 2010: DfT expenditure targets in respect of the Metro ARP were achieved;

- Including non-Metro capital expenditure an overall £38.1m of capital investment was delivered during the year;
- Significant growth in uptake and usage of Pop 'Pay As You Go'; and
- Central Area tunnels were re-railed without any disruption to passengers, and major track works in North Tyneside together with completion of Central Station refurbishment were also achieved.

1.4 Areas where further progress needs to be made include:

- Whilst Metro punctuality for the year was below the target of 87.2% it did see its sharpest year-on-year rise of 2.6% - heavily influenced by the last two periods of above target performance;
- Metro Customer Satisfaction as recorded through the six-monthly tracking survey remained below target, although it did show an improvement on the previous year's figures;
- Problems with the fleet continued to impact on Metro service delivery, particularly during the weekday morning peaks when additional services are scheduled to run between Pelaw and Regent Centre or Monkseaton, often causing some of these services to be cancelled;
- Metro ridership was below its target, largely because of a reduction in leisure travel and a reduction in the number of people travelling using multi-modal tickets; and
- Multi-modal smartcard ticketing has still not been delivered.
- The frequency of local bus service changes being made by commercial operators has put a cost pressure on Nexus' information provision arrangements and a fall in income from bus station departure charges.

2. Proposals

- 2.1 There are no direct proposals arising from this performance monitoring report. A three year Corporate Business Plan for Nexus, covering the period 2017/18 to 2019/20 was approved by the Transport North East (Tyne and Wear) Sub-Committee at its meeting on 26 January 2017. Nexus will continue to present performance monitoring updates to each meeting of the Transport North East (Tyne and Wear) Sub-Committee as a standing agenda item.

3. Reasons for the Proposals

- 3.1 There are no direct proposals arising from this performance monitoring report. Performance monitoring is required to meet the provisions of the NECA Constitution pertaining to the responsibilities and functions of the Transport North East (Tyne and Wear) Sub-Committee.

Transport North East (Tyne and Wear) Sub-Committee

4. Alternative Options Available

- 4.1 There are no direct proposals arising from this performance monitoring report.

5. Next Steps and Timetable for Implementation

- 5.1 A report updating on Nexus' performance will be presented to each scheduled meeting of the Transport North East (Tyne and Wear) Sub-Committee in order to enable the required monitoring considerations and assurance activity to take place.

6. Potential Impact on Objectives

- 6.1 Nexus is the NECA's statutory delivery agent for the area covered by the five councils within Tyne and Wear and, in accordance with the NECA Constitution, prepares its Corporate Business Plan in line with the policies and objectives set out within Tyne and Wear Local Transport Plan while having due regard to the vision and principles contained in the NECA's 20-year Transport Manifesto from which the single Transport Plan for the North East will in due course emerge. Monitoring Nexus' performance therefore helps to provide assurance that the NECA's policies and objectives are being implemented efficiently and effectively in accordance with the approved plan.

7. Financial and Other Resources Implications

- 7.1 There are no direct financial or resource considerations arising from this report.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this report.

9. Key Risks

- 9.1 There are no direct risk considerations arising directly from this report, though monitoring and reviewing performance information plays an important role in risk management. A separate review of Nexus' corporate risk register is provided to each meeting of the Transport North East (Tyne and Wear) Sub-Committee in parallel with the monitoring Nexus performance update.

10. Equality and Diversity

- 10.1 There are no specific equalities and diversity considerations arising from this performance monitoring report.

Transport North East (Tyne and Wear) Sub-Committee

11. Crime and Disorder

- 11.1 There are no specific crime and disorder considerations arising from this performance monitoring report.

12. Consultation/Engagement

- 12.1 There are no specific consultation or engagement considerations arising from this performance monitoring report.

13. Other Impact of the Proposals

- 13.1 There are no direct proposals arising from this performance monitoring report, and therefore no consequential impacts.

14. Appendices – None.

15. Background Papers

- 15.1 Nexus' Corporate Business Plan 2016/17 as considered and approved at the Transport North East (Tyne and Wear) Sub-Committee meeting held on 28 January 2016 and subsequent periodic reports monitoring Nexus' performance submitted to the Transport North East (Tyne and Wear) Sub-Committee meetings on 15 July 2016, 15 September 2016, 3 November 2016, 26 January 2016 and 20 April 2017.

16. Contact Officers

- 16.1 Tobyn Hughes,
Managing Director (Transport Operations)
Email: tobyn.hughes@nexus.org.uk
Tel: 0191 203 3236

17. Sign off

- Head of Paid Service ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

The meaning of any abbreviations used is explained in the body of the report.

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Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Monitoring Nexus' Performance 2017-18

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to provide an update on Nexus' performance against its Corporate Business Plan (CBP) targets and objectives for 2017/18 over the first two four-week reporting periods from 1 April 2017 to 27 May 2017.

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to note the report and the attached appendix giving details of Nexus' corporate performance in delivering services and projects for the first eight weeks of 2017/18.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

- 1.1 This report provides a review of Nexus' performance against its Corporate Business Plan (CBP) targets and objectives over the eight weeks from 1 April to 27 May 2017.
- 1.2 Nexus' CBP for 2017/18 has three main themes and sixteen workstreams as set out below:

Themes (3)	Workstreams (16)
Deliver public transport today	Improve Metro performance
	Enhance local and national rail services
	Embed new technology
	Deliver the Metro Asset Renewal Programme and related commitments
	Deliver non-Metro capital projects
	Deliver and develop public transport services and facilities
Prepare for the future	Obtain a new fleet and prepare for the new Metro contract
	Secure long term investments to Metro infrastructure
	Plan for the expansion of Metro and local rail networks
	Plan for local bus service improvements
	Innovate through technology
	Secure investment in local public transport assets
Focus on organisational effectiveness	Refine training and succession planning
	Ensure Nexus is an employer of choice
	Focus on health, safety and the environment
	Service review to balancing the budget

- 1.3 The CBP themes and workstreams are used in the attached appendix to set out the key considerations used in describing the progress being made using a Red/Amber/Green (RAG) status analysis.
- 1.4 Of the 16 workstreams:-
- Twelve are rated 'Green' in status, two from six in Theme 1 'Deliver public transport today'; six from six in Theme 2 'Prepare for the future', and all four

Transport North East (Tyne and Wear) Sub-Committee

in Theme 3 'Focus on organisational effectiveness'.

- The balance of four remaining workstreams, all 'Amber', are from Theme 1 'Deliver public transport today': 'Improve Metro performance', 'Embed new technology', 'Deliver non-ARP Capital Projects' and 'Deliver and develop public transport services and facilities'.

1.5 Over the two reporting periods up to 27 May an average punctuality figure of 87.2% (89.3%/P1 & 85.1%/P2) was achieved by Metro compared to 82.2% (79.8%/P1 & 84.6%/P2) over the same eight weeks in the previous year. This was despite a number of significant incidents affecting operations over the second four week period including a train defect causing and Overhead Line incident at Heworth on 30 April, a burst water main at Ilford Road on 17 May, a Network Rail overhead line fault on 23 May, loss of signalling supply at Wallsend on 24 May, and a train failure at Tynemouth on 25 May. The fact that the punctuality achieved over the four weeks was an improvement on last year when it was 84.6% serves to demonstrate that a strong underlying performance is being obtained.

1.6 With regard to ridership, following an upturn in patronage in the final period of 2016/17 this positive trend has been sustained over the first two periods in 2017/18 with a total of 5.874m Metro passenger journeys being recorded against 5.729m journeys over the same period last year. Marketing and promotional measures are being implemented to seek encourage leisure travel, with a comprehensive programme of activities throughout 2017-18.

1.7 Appendix 1 provides a fuller review of Nexus' performance against the business plan over the period from 1 April 2017 to 27 May 2017.

2. Proposals

2.1 There are no proposals arising from this periodic performance monitoring update report.

3. Reasons for the Proposals

3.1 There are no proposals arising from this periodic performance monitoring update report.

4. Alternative Options Available

4.1 There are no proposals from on which to base alternative options arising from this periodic performance monitoring update report.

5. Next Steps and Timetable for Implementation

Transport North East (Tyne and Wear) Sub-Committee

- 5.1 A report updating on Nexus' performance will be presented to each scheduled meeting of the Transport North East (Tyne and Wear) Sub-Committee in order to enable the required monitoring considerations and assurance activity to take place in accordance with the NECA's Constitution and the role and functions that are thereby delegated to the Transport North East (Tyne and Wear) Sub-Committee.

6. Potential Impact on Objectives

- 6.1 Nexus is the NECA's statutory delivery agent for the area covered by the five councils within the former Tyne and Wear administrative boundary and, in accordance with the NECA Constitution, prepares its Corporate Business Plan in line with the policies and objectives set out within Tyne and Wear Local Transport Plan while having due regard to the vision and principles contained in the NECA's 20-year Transport Manifesto from which the single Transport Plan for the North East will in due course emerge. Monitoring Nexus' performance therefore helps to provide assurance that the NECA's policies and objectives are being implemented efficiently and effectively in accordance with the approved plan.

7. Financial and Other Resources Implications

- 7.1 There are no direct financial or resource considerations arising from this periodic performance monitoring update report.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this periodic performance monitoring update report.

9. Key Risks

- 9.1 There are no direct risk considerations arising directly from this report, though monitoring and reviewing performance information plays an important role in risk management. A separate review of Nexus' corporate risk register is provided to each meeting of the Transport North East (Tyne and Wear) Sub-Committee in parallel with this report.

10. Equality and Diversity

- 10.1 There are no specific equalities and diversity considerations arising from this periodic performance monitoring update report.

11. Crime and Disorder

Transport North East (Tyne and Wear) Sub-Committee

- 11.1 There are no specific crime and disorder considerations arising from this periodic performance monitoring update report.
- 12. Consultation/Engagement**
- 12.1 There are no specific consultation or engagement considerations arising from this periodic performance monitoring update report.
- 13. Other Impact of the Proposals**
- 13.1 There are no direct proposals arising from this periodic performance monitoring update report, and therefore no consequential impacts.
- 14. Appendices**
- 14.1 Appendix 1 to this report shows the Red/Amber/Green (RAG) analysis pertaining to progress against the three theme/sixteen workstreams contained in Nexus' Corporate Business Plan for 2017/18 to 2019/20, as approved by Transport North East (Tyne and Wear) Sub-Committee meeting on 26 January 2017, and identifies key considerations taken into account by Nexus' Corporate Management Team in arriving at the ratings.
- 15. Background Papers**
- 15.1 Nexus' Corporate Business Plan 2017/18 to 2019/20 as considered and approved at the Transport North East (Tyne and Wear) Sub-Committee meeting held on 26 January 2017.
- 16. Contact Officers**
- 16.1 Tobyn Hughes, Managing Director (Transport Operations)
Email: tobyn.hughes@nexus.org.uk
Tel: 0191 203 3236
- 17. Sign off**
- Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓
- 18. Glossary**
- The meaning of any abbreviations used is explained in the body of the report.

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Theme 1: Deliver public transport today		
Workstream:	RAG Status	Key Considerations:
Improve Metro performance (RAG Status: Amber)	A	<p>For the four week period ending 29 April Metro punctuality was 89.3%, the third consecutive period that punctuality had been above the 87.2% target. For the four week period ending 27 May, whilst underlying performance remained strong, a number of significant incidents meant that punctuality dropped to 85.1%.</p>
		<p>The May 2017 Metro customer satisfaction tracking survey (CSS) resulted in an overall score of 7.78 which is higher than the previous score of 7.73 obtained in November 2016 and the score of 7.45 from May 2016. A Metro improvement action plan, including training for Customer Services staff, has recently been implemented in a planned and co-ordinated attempt to further improve customer satisfaction.</p>
		<p>The final four week reporting period in 2016/17 (P13) saw an upturn in patronage with 3.037m Metro passenger journeys being recorded against a target of 2.823m and actual journeys totalling 2.795m in the same period last year. This positive performance continued into the first period of 2017/18 (P1, ending 29 April) with 2.923m journeys being recorded against a target of 2.915m and 2.858m journeys in P1 of the prior year. Period 2 (30 April to 27 May) saw ridership of 2.924m against the target of 2.928m and 2.871m journeys in P2 of the prior year.</p>
		<p>Peak fleet availability in P1 saw the service delivery requirement of 74 Metrocars being met on 97.2% (35/36) of the weekday morning and evening peaks. However during P2 availability fell to 34.2% (13/38), with some additional morning and evening peak services cancelled. In P2 there was a sharp increase in the number of fleet faults and a number of Metrocars were out of service for several days. Metro Services staff in NEMOL (the North East Metro Operator Limited) are working hard to ensure that trains are repaired and returned to service as quickly as possible. Progress is being closely monitored by Nexus.</p>

<p>Enhance local and national rail services (RAG status: Green)</p>	<p>G</p>	<p>Transport for the North's (TfN's) draft Strategic Transport Plan is being finalised with the evidence base launched on 19 June. In the North East, TfN will be attending a drop in day for businesses and Transport North East Committee members arranged for 6 July at Newcastle Central Library.</p>
<p>Embed new technology (RAG status: Amber)</p>	<p>A</p>	<p>Both on-line sales and Pay As You Go (PAYG) revenue started the year at a higher point than for P1 last year with increases of 26% (from £34.5k to £43.2k) and 64% (from £8.6k to £14.2k) respectively. NESTI (the North East Smart Ticketing Initiative) has completed the design process for a Remote Ticket Download app (i.e. buy on line and collect by holding your card to your Android phone). This is now in development.</p> <p>A series of software improvements e.g. upgrading Payment Card readers and reinforcing the physical integrity of Ticket Vending Machines are being implemented.</p> <p>ITSO (the National Standards body for Smart Ticketing) are exploring whether a Host Card Emulation (your phone becomes your POP Card) trial can be implemented on Metro, with a trial potentially commencing in November 2017.</p>
<p>Deliver the Metro Asset Renewal Plan (RAG status: Green)</p>	<p>G</p>	<p>The Metro Asset Renewal Plan (ARP) forecast for 2017/18 at 27 May was £35.377m. The forecast is therefore £4.449m less than the latest approved budget for the ARP of £39.826m. The Metro Asset Renewal Plan (ARP) forecast for 2017/18 at 27 May was £35.377m. The forecast is therefore £4.449m less than the latest approved budget for the ARP of £39.826m. This has been caused primarily because of re-profiling of the RTMS (Rail Traffic Management System) project to align with Radio project dependencies and changes to prioritisation of replacement point motors. Despite this, the forecast is within the maximum & minimum expenditure targets set by the DfT. Despite this, the forecast is within the maximum & minimum expenditure targets set by the DfT.</p> <p>Refurbishment works at Tyne Dock station are planned to commence in June, with the rebranding of the Stadium of Light station planned to commence in July. Outline design is</p>

		continuing for Shiremoor, Palmersville, Benton and Longbenton station refurbishments – work is planned to commence in late 2017/18.
		At Killingworth Road Bridge, service and cable diversion work is nearing completion. Precast concrete units and steel deck components are being manufactured off site. The scheme is scheduled to complete in summer 2017, concurrently with track renewal work in the area in order to minimise impact on Metro Services.
		Contractor mobilisation and material deliveries for the track renewal scheme from Northumberland Park to South Gosforth stations are on schedule. The works will be delivered in summer 2017 – timed to align with the Killingworth Road bridge scheme.
		Planning and outline design for the next phase of track renewal and refurbishment from Gateshead to South Shields is on schedule with works planned to commence in 2018/19.
		The installation of Nexus' infrastructure for the radio project is now complete. The "prototype" fitment of radio equipment to the first Metrocar has been successful. Installation across the fleet is being planned.
		The installation of multifunctional relays in the power supply system is on schedule with detailed designs and enabling works nearing completion. This will improve the resilience of Metro operations when faults occur.
Deliver non-ARP capital projects (RAG status: Amber)	A	The Non Metro Capital Expenditure forecast for 2017/18 at 27 May was £3.398m. The forecast is therefore £0.457m above than the proposed budget of £2.941m, but the forecast includes £0.789m in excess of the budget for the Metro Maintenance and Renewals Skills Centre pending, approval of Local Growth Funding.
		Revised tenders for Metro Maintenance and Renewals Skills Centre project were released to the market on 25 May.
		The installation and testing of cycle infrastructure (lockers and pods) at various locations around the system is expected to be complete in July.

		<p>The conversion of BIDS (Bus Information Displays) at Haymarket and the Metrocentre bus stations to provide Real Time Information has been deferred to allow data handling issues to be resolved. It is anticipated the conversion works will happen during late August / early September.</p>
<p>Deliver and develop public transport services and facilities (RAG status: Amber)</p>	<p>A</p>	<p>Since 2 May 702 PAYG cards have been issued, the bulk (72%) through on-line transactions. This follows the removal of the charge for the card.</p>
		<p>The summer leisure travel marketing campaign commenced in May. Promotional activity which includes Metrocar window vinyls, newspaper ads, digital and social media. 'Baby on Board' and 'I need a seat' badges have been launched and received a positive response.</p>
		<p>In the eight weeks to 27 May Shields Ferry ridership was 33,750, 0.9% below the target of 76,836 but 11.15% up on the 69,063 cumulative boardings recorded at the same point last year. Punctuality was in excess of the 99% target. Reliability achieved 96% against a target of 99% due to an engine problem on the Pride, whilst the Spirit was in dry dock for its annual survey.</p>
		<p>Contractual mileage operated by secured bus services, at 99.8%, exceeded the 99% target for the eight week period. With regard to ridership 0.926m boardings were reported which is below the target of 1.065m.</p>
		<p>Live Travel Map usage is up 33% following transition from myJourney. A new version of Live Travel Map will go live in early June. However, there are residual issues with Real Time Information (RTI) data which need to be resolved in order for the service to be more reliable.</p>
		<p>With regard to the forthcoming major line closure the Mitigation Board (hosted by Newcastle City Council and attended by North Tyneside Council, Nexus, local bus operators and other key stakeholders) is meeting regularly in order to develop a co-ordinated plan aimed at keeping disruption to a minimum and to establish a mitigation plan, which is now at an advanced stage and is expected to be completed soon. Bus diversions are now confirmed / registered and a</p>

		<p>joint communications plan is being developed. Nexus has entered into new contracts with Arriva (services X7/X8) and Stagecoach (service 118) to ensure the adequacy of service provision during the disruption.</p> <p>The planned works will take place between 20 July and 3 September 2017. Highways works will take place on Killingworth Road immediately after Nexus has completed its works and Killingworth Road is expected to remain closed to all traffic until February 2018. Nexus will support the local bus operators in order to help mitigate the impact on bus journey times during this period.</p>
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Theme 2: Prepare for the future		
Workstream:	RAG Status	Key Considerations:
Obtain a new Fleet and prepare for the new Metro contract (RAG status: Green)	G	The Outline Business Case (OBC) for fleet replacement was discussed at the DfT's Board Investment Committee (BICC) on 19 June where the need for investment was acknowledged by DfT. However, further work on the means by which the investment is financed is required and Nexus has a further slot at the BICC on 31 July.
		A paper setting out the fleet specification and depot strategy is being considered by TNEC at its meeting of 13 July.
Secure long term improvements to Metro's infrastructure (RAG status: Green)	G	The OBC for Essential Renewals was also considered by the DfT's BICC on 19 June.
Plan for the expansion of Metro and local rail networks (RAG status: Green)	G	Work to help shape future Metro and local rail services has commenced, with views from all seven NECA authorities currently being canvassed, at officer level.
		Discussions have also been held with the North East Chamber of Commerce (NECC) and other stakeholders in order to raise awareness.
		From a public profile perspective, Nexus will be represented at the 'Expanding the Railways' conference in York on 5 July. Discussions will continue with advisers regarding the potential for a northern railways conference and Nexus participating in a DfT commissioned study on how third party funding can and has been obtained to support rail development.
Plan for local bus service improvements (RAG status: Green)	G	Nexus is working with NECA partners to develop a Bus Strategy for the NECA area. Engagement with bus operators who have formed a new Association with a view to establishing a Bus Partnership have commenced.
		It is proposed that the NECA Bus Strategy will be prepared in draft and subject to consultation at the same time as the NECA Transport Plan.

		The new Bus Services Act 2017 offers further opportunities for delivering the emerging NECA Bus Strategy. These opportunities will be understood in full when the Government publishes Guidance on how to make use of the Act. It is intended that Guidance will be available during September 2017, although this is subject to approval from the Government and Ministers.
Innovate through technology (RAG status: Green)	G	Nexus is involved with Transport for the North (TfN) and its aspiration to deliver an Account Based Ticketing (ABT) solution allowing customers to use bank cards and mobile devices to pay for their journey by touching in at the point of entry and exit from the network. Discussions are underway between TfN and NECA representatives in relation to using the North East as a pilot for the work TfN are undertaking in respect of Journey Planning.
		The North East Local Enterprise Partnership (NELEP) has committed funding to develop the business case and secure funding for a 5G test bed; Nexus' active support for this programme continues. High quality digital connectivity for the commuter market (high volumes, short distances) has been selected as one of the first "use cases" for which the test bed would be used, utilising the Metro.
Secure investment in public transport assets (RAG status: Green)	G	Proposals are being developed to bid for ERDF support for possible innovative links to Dissington Garden Village, supporting Northumberland County Council.
		Sunderland City has now signed a Development Services Agreement for the development of Sunderland Station and Nexus is assisting the Council in this regard.

Theme 3: Focus on organisational effectiveness

Workstream:	RAG Status	Key Considerations:
Refine training and succession planning (RAG status: Green)	G	Nexus' approach to succession planning will be informed by the introduction of a new framework.

		Nexus' requirements for use of the Apprenticeship Levy are still being formulated.
Ensure Nexus is an employer of choice (RAG status: Green)	G	The 2017 Pay Award was agreed at Joint Negotiating Committee. The Human Resources section is currently working on renewal of the Occupational Health contract. Joint management and union policy working groups are meeting to review the Disciplinary and Wellbeing policies.
		A review of the Nexus Recruitment and Selection Policy has commenced with a consultation exercise starting early June. Work has also begun on developing Nexus' recruitment activities to increase exposure in groups that are under- represented in our workforce.
Focus on health, safety and the environment (RAG status: Green)	G	Over the eight weeks to 27 May: <ul style="list-style-type: none"> • No RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable accidents occurred to Nexus' staff resulting in an accumulated period of 285 RIDDOR accident free days (NB NEMOL is covered in a separate report). • There have been no accidents to contractors' staff working on Nexus' properties or infrastructure. • The Accident Frequency Rate (AFR) for Nexus was 0.27, a continuing reduction in line with there being no RIDDORS. • The 'Close Call' reporting system received 19 submissions (14 in P1, 5 in P2), providing potentially valuable learning opportunities. • 3 non-lost time accidents involving Nexus' staff occurred. • Issue 3 of Nexus' 'Homesafe' health and safety newsletter was prepared for publication and has been issued to all staff.
Service review to balancing the budget (RAG status: Green)	G	As at the end of period 2, 2017/18 (27 May 2017) a deficit of £0.843m is forecast against the 2017/18 revised budget deficit of £1.888m. This demonstrates a positive variation of £1.045m against the current year budget.



Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Metro ticket acceptance on commercial buses during unplanned disruptions to service

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to provide an overview of how Metro arranges alternative transport when there is an unplanned disruption to service, and specifically the acceptance of Metro tickets on commercial bus routes, in response to concern from TWSC that some passengers had complained about this process. It describes actions being taken to improve the journey experience for passengers when this is required.

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to note the content of this report.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

- 1.1 When major disruption to the Metro service occurs, Nexus always tries to secure an alternative means for passengers to travel until the disruption has cleared.
- 1.2 The best solution in times of unplanned disruption is usually a dedicated replacement bus calling at each Metro station affected, but this can take at least one hour to put in place while chartered vehicles are called in. It can also be the case that companies are unable to supply sufficient vehicles at short notice to cater for demand. This can be particularly acute at peak hour when the resources put into the local transport network are already being utilised to their maximum degree, with all available buses being used for scheduled services to transport commuters and schoolchildren. At quieter times local taxis can be used, and while this solution provides a faster response it cannot cope with the demand created by the loss of a Metro train at any time other than the extremities of the day.
- 1.3 The quickest interim solution is arranging for Metro tickets to be accepted on the nearest possible existing bus routes, and this arrangement is known as 'ticket acceptance'. Depending on the nature and longevity of the disruption this may be continued beyond the early stages, alongside replacement buses, to cater for periods of high demand or when replacement buses are not available in sufficient numbers. This is also a practical solution when a disruption lasts an hour or less. Some passengers have, however, complained that they have sometimes been refused travel when using a Metro ticket by bus drivers, despite being informed it is available.
- 1.4 In 2016-17 there were 20 complaints to Metro of bus drivers refusing to accept Metro tickets, spread between nine incidents. In the current year to date there have been 18 complaints spread between four incidents, with 12 of these related to a single incident during the morning peak of Thursday, 6 April, when vandalism halted trains in the Pelaw area for up to one hour.
- 1.5 Ticket acceptance is not an automatic process as it involves Metro agreeing to pay a fee, based on the routes and length of time the arrangement covers. Putting it in place can take up to 20 minutes from the moment of disruption including an assessment of the situation and contact with bus companies. Metro is then reliant on bus companies informing bus drivers of the arrangement via cab radio, and messages can fail to get through where a cab radio is not working, a vehicle is in an area with no signal, or a driver does not receive the message for a variety of other reasons including the possibility that they are busy helping passengers.
- 1.6 The main reason a passenger may be refused bus travel using a Metro ticket is that the message to accept Metro tickets has not reached a particular bus driver

Transport North East (Tyne and Wear) Sub-Committee

during the early stages of a disruption. This may be either for the reasons described above or because Metro customer service advice via the internet and platform PA systems is ahead of the briefing to bus drivers, even by a few minutes.

- 1.7 At some stations it is possible for a passenger to move from station platform to bus stop in less than one minute, and then immediately board a bus that happens to be there. Where services are frequent and drivers busy during peak periods the risk of communications breakdown during the early stages of a disruption is highest. Also, some well-informed passengers seek out buses immediately after they hear of a problem with Metro, and may board before ticket acceptance has actually been implemented and communicated to drivers.
- 1.8 Nexus is reviewing and updating the process to implement ticket acceptance in order to reduce the time it takes to implement. This includes an improved coverage of the alternative bus services available, in order to increase the number of routes it is offered across to give customers more choice and reduce on-board congestion. Nexus will also analyse future incidents which generate multiple complaints so it can work with bus companies to address the cause.
- 1.9 While Nexus does not want to delay a message telling customers that ticket acceptance is being put in place, customer service staff have been updated to warn passengers there could be a short delay while bus drivers are informed. They will apologise in advance where this causes inconvenience. At the same time Metro customer service staff are to be trained so they can quickly direct passengers to the right bus stop and routes anywhere on the system.

2. Proposals

- 2.1 This report is for information purposes only. Therefore, no proposals are contained in this report.

3. Reasons for the Proposals

- 3.1 This report is for information purposes only.

4. Alternative Options Available

- 4.1 Not applicable to this report.

5. Next Steps and Timetable for Implementation

- 5.1 The number of complaints about bus drivers refusing to accept Metro tickets is captured on an on-going basis and will be used to monitor effectiveness of the above measures.

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6. Potential Impact on Objectives

- 6.1 If customers are dissatisfied with the service they receive from Metro they may be put off using it in future, leading to reduced patronage and revenue, and increased congestion on roads.

7. Financial and Other Resources Implications

- 7.1 There are no direct financial implications arising from this report.

8. Legal Implications

- 8.1 There are no direct legal implications arising from this report.

9. Key Risks

- 9.1 Nexus will remain reliant on the co-operation of third party suppliers when seeking ticket acceptance on bus services.

10. Equality and Diversity

- 10.1 Passengers with some disabilities may have more difficulty using bus services compared to Metro, particularly where services are very busy. Metro customer services staff provide taxis for passengers in this circumstance.

11 Crime and Disorder

- 11.1 There are no implications within this report

12. Consultation/Engagement

- 12.1 There is no requirement to consult in this case. Nexus analyses feedback from customers including complaints and satisfaction surveys to improve the services it provides.

13. Other Impact of the Proposals

- 13.1 There are no other impacts from this report

14. Appendices

- 14.1 None

Transport North East (Tyne and Wear) Sub-Committee

15. Background Papers

15.1 None

16. Contact Officers

16.1 Huw Lewis, Customer Services Director, Nexus; huw.lewis@nexus.org.uk
Tel: 0191 203 3247

17. Sign off

- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

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Transport North East (Tyne and Wear) Sub-Committee

Date: 13 July 2017

Subject: Update on Nexus' Corporate Risk Register 2017/18

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to provide an update on Nexus' Corporate Risk Register (CRR) for 2017/18.

Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to note the report and the attached appendix providing an update on Nexus' CRR.

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

- 1.1 This report provides an update on Nexus' Corporate Risk Register (CRR) for 2017/18, containing fifteen risks, as submitted to the Transport North East (Tyne and Wear) Sub-Committee meeting on 20 April 2017.
- 1.2 In preparing the update each risk is reviewed in liaison with the risk owner/actionee to assess whether there has been any change to the risk score and whether the risk controls processes remain adequate & appropriate.
- 1.3 The following table identifies each of the fifteen risks in turn, the links to workstreams in Nexus' Corporate Business Plan (CBP) for 2017/18 to 2019/20, the current Red/Amber/Green (RAG) status and the direction of travel where (comparing the current RAG status with the previous one). A detailed explanation of the nature of each risk, together with controls and milestones, is set out in Appendix 1 to the report. A copy of the scoring matrix that has been applied is also appended for information.

Risk area/CBP workstream link(s):	RAG Status	Direction of travel
Metro performance deterioration/ Improve Metro performance	Amber	↔ (static)
Catastrophic event on Metro / Metro performance/Focus on Health and Safety	Amber	↔ (static)
Rail North working arrangements / Enhance local and national rail services	Green	↔ (static)
Payment and customer information systems/ Embed new technology/Innovate through technology	Green	↔ (static)
Metro Asset Renewal Programme fails to deliver intended outcomes/ Deliver the Asset Renewal Programme	Green	↔ (static)
Non-ARP capital projects fail to deliver intended outcomes/ Deliver the non-ARP capital projects	Green	↔ (static)
Provision of public transport services and facilities does not meet customer expectations./ Deliver and develop public transport services and facilities	Amber	↔ (static)
Replacement of the Metrocar fleet and putting a new contract in place/ Obtain a new fleet and prepare for the new Metro contract	Green	↔ (static)
Long-term funding for Metro/ Secure long term improvements to Metro infrastructure	Amber	↔ (static)
Work to expand the Metro and local rail network does not	Amber	↔

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progress./Plan for expansion of Metro and local rail networks		(static)
Bus Strategy delivery arrangements/Plan for local bus service improvements.	Amber	↔ (static)
Business cases for external funding/Secure investment in local public transport assets	Amber	↔ (static)
Future retention of key skills and abilities/Refine training and succession planning & Ensure Nexus is an employer of choice	Green	↔ (static)
Nexus' service review fails to deliver the necessary savings/Service review to balancing the budget	Green	↔ (static)
The Devolution agenda on transport matters is progressed without having due regard to Nexus' funding, functions and powers/Focus on organisational effectiveness	Amber	↔ (static)

- 1.4 As can be seen from the table there have been no changes to the risk status since the last report, with the direction of travel remaining static, and therefore there are no exceptions to report on. Were there to be any change identified in the status of a risk (whether improving or declining) the detail would be explained as part of the update report.

2. Proposals

- 2.1 The report is for information only: there are no proposals arising from this periodic update report on Nexus' Corporate Risk Register (CRR).

3. Reasons for the Proposals

- 3.1 The report is for information only: there are no proposals arising from this periodic update report on Nexus' CRR.

4. Alternative Options Available

- 4.1 The report is for information only: there are no proposals on which to base alternative options arising from this periodic update report on Nexus' CRR.

5. Next Steps and Timetable for Implementation

- 5.1 A report updating on Nexus' CRR will be presented to each scheduled meeting of the Transport North East (Tyne and Wear) Sub-Committee in order to enable the required monitoring considerations and assurance activity to take place in accordance with the NECA's Constitution and the role and functions that are thereby delegated to the Transport North East (Tyne and Wear) Sub-Committee. The update will contain details

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of any risks where a change in the status has been identified as a result of the review process.

6. Potential Impact on Objectives

- 6.1 Nexus is the NECA's statutory delivery agent for the area covered by the five councils within the former Tyne and Wear administrative boundary and, in accordance with the NECA Constitution, prepares its Corporate Business Plan in line with the policies and objectives set out within Tyne and Wear Local Transport Plan while having due regard to the vision and principles contained in the NECA's 20-year Transport Manifesto from which the single Transport Plan for the North East will in due course emerge. Monitoring Nexus' CRR therefore helps to provide assurance that the NECA's policies and objectives are being implemented efficiently and effectively in accordance with the approved plan and that those corporate risks which, if they occurred, could negate achievement of the plan are explicitly recognised and appropriately managed.

7. Financial and Other Resources Implications

- 7.1 There are no direct financial or resource considerations arising from this periodic update report on Nexus' corporate risk register.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this periodic update on Nexus' corporate risk register.

9. Key Risks

- 9.1 There are no direct risk considerations arising directly from this report, though monitoring and reviewing corporate risk plays an important role in risk management and mitigation. A separate review of Nexus' performance against its business plan is provided to each meeting of the Transport North East (Tyne and Wear) Sub-Committee in parallel with this report.

10. Equality and Diversity

- 10.1 There are no specific equalities and diversity considerations arising from this periodic update on Nexus' corporate risks.

11. Crime and Disorder

- 11.1 There are no specific crime and disorder considerations arising from this periodic update on Nexus' corporate risk register.

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12. Consultation/Engagement

- 12.1 There are no specific consultation or engagement considerations arising from this periodic update on Nexus' corporate risk register.

13. Other Impact of the Proposals

- 13.1 There are no direct proposals arising from this periodic update on Nexus' CRR, and therefore no consequential impacts other than applying risk management processes and procedures tends to help avoid or lessen the likelihood of the risk or hazard arising.

14. Appendices

- 14.1 Appendix 1 to this report provides a detailed explanation of the nature of each of the risk in Nexus' CRR, together with controls and milestones. A copy of the scoring matrix that has been applied is also appended for information.

15. Background Papers

- 15.1 Nexus' Corporate Business Plan 2017/18 to 2019/20 as considered and approved at the Transport North East (Tyne and Wear) Sub-Committee meeting held on 26 January 2017.
- 15.2 Nexus' Corporate Risk Register as reported to the Transport North East (Tyne and Wear) Sub-Committee on 20 April 2017.

16. Contact Officers

- 16.1 Tobyn Hughes,
Managing Director (Transport Operations)
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17. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

18. Glossary

Corporate Risk - relates to those factors that might have a significant effect on the achievement of workstreams in Nexus' Corporate Business Plan and therefore the successful delivery of the NECA's policies and priorities.

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Risk - A probability or threat of damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities, and that may be avoided through pre-emptive action.

Risk Controls or control processes - are those pre-emptive actions which are specifically identified to be taken to lower the impact of the risk or reduce the likelihood of the risk materialising, or both of these.

Risk Matrix - a graphical representation of the Risk Severity and the extent to which the Controls mitigate it.

Risk Owner - has overall responsibility for the management and reporting of the risk.

Risk Actionee – has delegated responsibility from the Risk Owner to take action and manage the risk through application of the appropriate risk controls and processes.

Risk Impact - indicates the potential seriousness should the risk materialise.

Risk Likelihood - indicates the chance of a risk materialising in the time period under consideration.

Risk Score - the product of the Impact score multiplied by the Likelihood score.

Nexus' Corporate Risk Register:

CBP Theme: Deliver public transport today		
CBP Workstream: Improve Metro performance		
Risk Owner: Director of Rail and Infrastructure Risk Area: Performance deterioration	RAG Status (Amber)	Direction of Travel
	8 (2x4) ¹	← → (static)
Risk: That the transition from Metro being operated by DBTW to operation by Nexus' wholly owned subsidiary results in a decline in performance.		
Impact/Consequence(s): If Metro's operational performance were to decline for an extended period following the transition on 1 April 2017 this could have an adverse impact on Nexus' reputation with regard to service delivery and possible consequences for future funding arrangements that are being negotiated with external stakeholders.		
Control(s): <ul style="list-style-type: none"> Applying 'micro-management' to critical DBTW operational issues. Speedy resolution to filling any senior NEMOL posts after the 1/4/17. Close monitoring of the "mobilisation plan". 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> Embedding the routine business reporting cycle. 		

CBP Theme: Deliver public transport today		
CBP Workstream: Metro performance/Focus on Health & Safety		
Risk Owner: Director of Rail and Infrastructure Risk Area: Catastrophic event	RAG Status (Amber)	Direction of Travel
	8 (2x4)	← → (static)
Risk: In running any operational railway there is an inherent risk that a catastrophic event may occur.		
Impact/Consequence(s): The impact and consequences should a catastrophic event occur on the Metro system could potentially be very significant, including the possibility for multiple loss of life, lengthy loss of service, protracted legal issues to resolve, fines to pay, impact on insurance, other cost increases and likely loss of business.		
Control(s): <ul style="list-style-type: none"> • A well-developed safety management system (SMS) which is independently accredited by the Office of Rail and Road (ORR) as a prerequisite to granting legal authority to operate. • Robust arrangements for the selection and management of contractors working on Metro infrastructure • Maintaining a comprehensive suite of engineering standards in all relevant railway disciplines based on industry best practice • The identification of the top 3 potentially catastrophic events we aim to avoid and strive to control: collision, derailment, and fire. • Continuously monitoring & controlling the precursors of these events resulting in the ability to exploit lessons learnt from them (e.g. by reducing the risk of broken rails we can reduce the likelihood of derailments; reducing the amount of flammable material around the system reduces the likelihood of fire; applying strict signalling protocols reduces the likelihood of collision). • Regular reporting to Nexus' Corporate Management Team, on a 4 weekly basis, on each of these top 3 events, with a short summary of any identified precursors. • Undertaking a very significant volume of safety assurance activity in-house as part of everyday practice in the management of safety (e.g., audit, inspection, monitoring and checking). • Participating in joint emergency preparedness exercises with the blue-light services and other interested parties e.g. Network Rail, Newcastle Airport, Train Operating Companies. 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Periodic Corporate Management Team meetings. • Continuation of the Safety Cultural Work started in 2015. 		

CBP Theme: Deliver public transport today		
CBP Workstream: Enhance local and national rail services		
Risk Owner: Director of Rail and Infrastructure Risk Area: Rail North working arrangements	RAG Status (Green)	Direction of Travel
	6 (2x3)	↔ (static)
Risk: Rail North working arrangements may fail to deliver the NECA's ambitions for improvements in rail services.		
Impact/Consequence(s): The NECA is seeking to achieve transformational improvements in rail services for the area. Failure to secure these improvements could leave the NECA area isolated in terms of rail connectivity and thereby limit delivery of the Strategic Economic Plan.		
Control(s): <ul style="list-style-type: none"> • Active participation in Rail North. • Ensuring that the NECA Lead Member for Transport is fully briefed. • Formation of the North East Rail Management Unit (NERMU). • Appointment of NERMU Manager. • Close working relationships developed with Rail North Partnership Directors. • Close working relationships developed with senior managers of newly appointed local rail franchise operators. • Close working relationships developed with senior managers of existing rail franchises that serve the North East. • Transport for the North –of which Rail North is a part – becoming a statutory sub-national body in 2017. 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Continue with the newly developed framework for engaging and managing the new North East Rail Franchises. 		

CBP Theme: Deliver public transport today/Plan for tomorrow		
CBP Workstream: Embed new technology/ Innovate through technology		
Risk Owner: Corporate Manager Business Change and Technology Risk Area: Payment and customer information systems	RAG Status (Green)	Direction of Travel
	6 (3x2)	↔ (static)
Risk: Payment and customer information systems do not meet the rate of change in customer expectations.		
Impact/Consequence(s): Customer facing technologies being implemented by Nexus could be overtaken by technological developments and customer experience elsewhere leading to the offer being perceived as inadequate or outdated and unable to deliver the intended benefits for customers and stakeholders.		
Control(s): <ul style="list-style-type: none"> • Emerging technology roadmap covering a 10 year timeframe • Embedding technology roadmap within NECA's Transport Plan for the North East • Setting timescales and milestones and working to a plan • Aligning with Transport for the North developments • Engaging with Innovate UK and the Catapult organisation to accelerate technology delivery timescales 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Providing input to the Transport Plan for the North East • Providing input to the plans being developed through Transport for the North • Updating and refreshing the technology roadmap and related plans on a regular basis • First meeting with Digital Catapult and ITSO in April 2017 		

CBP Theme: Deliver public transport today		
CBP Workstream: Deliver the Metro Asset Renewal Programme		
Risk Owner: Director of Finance and Resources Risk Area: Metro Asset Renewal Plan	RAG Status (Green)	Direction of Travel
	6 (2x3)	↔ (static)
Risk: DfT has confirmed £120m for the final years of the Metro Asset Renewal Plan (ARP), through to 2020/21, against the original offer of up to £153m. However funding for and affordability of the ARP Phase 2 remains a key concern.		
Impact/Consequence(s): Increased pressure on the funding for and affordability of ARP Phase 2 could mean a further scaling back of the work programme through to 2020/21, adding to the requirement for capital renewals being provided for later years in Phase 3 which could potentially compromise timely delivery of other key elements.		
Control(s): <ul style="list-style-type: none"> • Some scaling back has taken place and bids are being made for additional funding e.g. through the Single Local Growth Fund (SLGF) in relation to the station investment programme, to relieve the financial pressures involved. • Work with NECA to identify opportunities through the devolution deal to fund Metro schemes. • Effective programme management, project delivery and budget control processes. • Value engineering, technology choice, option analysis, specification and scope. • Active stakeholder engagement to obtain involvement and co-operation of third/interested parties e.g. NEMOL, highway authorities, utility companies etc. • Providing sufficient programme/project management resource. • Close and proficient management of all contracts relating to ARP works. 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Periodic Affordability Review 		

CBP Theme: Deliver public transport today		
CBP Workstream: Deliver non-Metro capital projects		
Risk Owner: Director of Finance and Resources Risk Actionee: Corporate Manager Business Change and Technology Risk Area: Non-ARP capital projects	RAG Status (Green)	Direction of Travel
	6 (2x3)	←→ (static)
Risk: Non-ARP capital programme fails to deliver intended outcomes.		
Impact/Consequence(s): There is a risk that projects in the non-Metro capital programme are not delivered to time, cost and quality requirements.		
Control(s): <ul style="list-style-type: none"> The Programme Assurance provides independent oversight to ensure that projects comply with standard governance and controls - to help ensure all projects delivered by Nexus are clearly defined, delivered to time and budget and with engagement from stakeholders. The Business Change (BC) department helps other sections to understand what they are trying to achieve and, through drafting and getting an agreed detailed project specification, then working with Projects to deliver the benefits to the business. BC has the role of leading on and developing key business change projects to improve the operational efficiency of Nexus and/or the service for our customers. Ensuring that when requirements for a business change are identified the benefits are too, as well as confirming that the change is properly scoped and implemented. Working with internal clients to ensure they are prepared and ready to accept the changes that will be needed when the project is integrated back into the business. 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> Determined by Nexus' Project Control Manual and the Stage Gate cycle. 		

CBP Theme: Deliver public transport today		
CBP Workstream: Deliver and develop public transport services and facilities		
Risk Owner: Customer Services Director Risk Area: Social exclusion	RAG Status (Amber)	Direction of Travel
	9 (3x3)	← → (static)
Risk: That the need to review Nexus' services to meet required budget reductions could result in increased social exclusion.		
Impact/Consequence(s): Increased social exclusion could manifest itself in particularly older and vulnerable people being less able to access essential local services and healthcare facilities leading to increased health problems and reduced social cohesion.		
Control(s): <ul style="list-style-type: none"> • Prioritisation of key services as part of the review process • Engagement and consultation to help identify practical mitigations • Signposting of alternative service provision 		
Key Milestones/Next Steps: <ul style="list-style-type: none"> • Preparation of an engagement plan • Preparation of consultation documentation • Preparation of a communications plan • Forward planning of meetings with ward councillors • Forward planning of meetings with user representative groups 		

CBP Theme: Prepare for the Future		
CBP Workstream: Obtain a new fleet and prepare for the new Metro contract		
Risk Owner: Director of Finance and Resources Risk Area: Arrangements for obtaining a new fleet and forming a new contract not delivered to time.	RAG Status (Green)	Direction of Travel
	4 (1x4)	↔ (static)
Risk: That the final business cases for new Metro rolling stock and essential renewals are not delivered on time for DfT's decision making processes.		
Impact/Consequence(s): The proposed replacement of the current fleet and the investment in essential renewals are key elements in the Metrofutures programme: Nexus' overall vision to enhance and improve the Metro system. Non-delivery of the business cases to the required DfT deadlines could compromise achievement of the programme.		
Control(s): <ul style="list-style-type: none"> • Metro Business Development team within in Corporate Planning section. • Leading the project to scope and let the next Metro operating concession. • Developing the business case to secure funding and to let the contract. • The project also includes developing the business cases for a new fleet of Metrocars and for investment in essential renewals. • Outline business cases are under development. • Economic consultants have been appointed to determine the BCR. • On-going liaison has been established with DfT and preliminary documents have been shared. 		
Key Milestones/Next Steps: <ul style="list-style-type: none"> • Preliminary Outline Business Cases (OBCs) submitted to DfT • Feedback received was used to prepare a full OBC that was submitted to the July 2016 meeting of Leadership Board • Leadership Board approved the OBC for formal submission to DfT • Actively liaising with DfT and HMT • Nexus received an 'Amber/Green' rating in its DfT sponsored Office of Government Commerce Gateway Review carried out in December 2016 • The DfT Efficiency Review of delivery in early 2017 concluded that Nexus is managing delivery of the Metro Reinvigoration Phase 2 Programme with a high degree of competence and that the maturity of project, asset and commercial management is appropriately scaled for the size and complexity of the programme. • DfT BICC investment meeting in June 2017 considered the funding application: DfT recognised the need for investment however, further work on the means by which the investment is financed is required and Nexus has a further slot at the BICC on 31 July. • On DfT's confirmation of funding procurement activity will commence. 		

CBP Theme: Prepare for the future		
CBP Workstream: Secure long term improvements to Metro's infrastructure		
Risk Owner: Director of Finance and Resources Risk Area: Long term funding for Metro	RAG Status (Amber)	Direction of Travel
	9 (3x3)	← → (static)
Risk: There is no long-term funding agreement in place to sustain Metro's current operations, replace life expired capital assets and allow future expansion.		
Impact/Consequence(s): The next stage of Metro reinvigoration, commencing in 2021/22, includes replacement of the Metrocar fleet and the signalling system without either of which the continued safe and reliable operation of the railway will not be sustainable in the longer term. Securing a long-term funding agreement involves the consideration of options concerning the future structure of Metro operations to facilitate procurement of the necessary elements. Commitment to long-term funding has to be established through influencing strategic partners.		
Control(s): <ul style="list-style-type: none"> • Effective liaison with DfT including 4-weekly progress reporting on the current Asset Renewal Plan and quarterly reviews. • Procurement strategy & contractual arrangements that minimise risk and deliver VFM. • Value engineering, technology choice, option analysis, specification and scope. • Engaging members in prioritisation processes. • Active stakeholder engagement/increasing public awareness. • Engaging with national government, local councillors & MPs and building public support. • Inclusion of Metro fleet renewal and route extensions in the devolution agreement. • Ensuring that the long term plan Metro forms an integral part of the NECA's Transport Plan for the North East. • Nexus has received an 'Amber/Green' rating in the DfT sponsored Office of Government Commerce Gateway Review carried out in December 2016. • The DfT Efficiency Review of delivery in early 2017 concluded that Nexus is managing delivery of the Metro Reinvigoration Phase 2 Programme with a high degree of competence and that the maturity of project, asset and commercial management is appropriately scaled for the size and complexity of the programme. • Linking Metro to the long term development aspirations of the NECA, local Councils and the North East LEP's Strategic Economic Plan. • Engaging with national government. 		

- Engaging with local councillors and MPs.
- Leading in development of the business case.
- Identifying and investigating potential funding streams.

Key Milestones/Next Steps:

- Regular quarterly reviews with DfT
- Liaison with DfT to ensure ambitions surrounding future development of Metro can be achieved.
- Input to NECA's Transport Manifesto.
- Input to NECA's Transport Plan for the North East.
- Outline Business Case for replacement Metrocars was endorsed by the Leadership Board in July 2016.
- Outline Business Case for essential renewals beyond 2021 was endorsed by the Leadership Board in July 2016.
- New Metro and local rail strategy was endorsed by the Leadership Board by in July 2016.
- The DfT's Board Investment and Commercial Committee (BICC) meeting in June 2017 considered a funding proposal for the new fleet and essential renewals: DfT recognised the need for investment however, further work on the means by which the investment is financed is required and Nexus has a further slot at the BICC on 31 July.
- Development of a business case for extensions will commence once approval of the funding application for the new fleet is approved by BICC.
- OJEU notice for next Metro operating contract commencing April 2019, to include fleet replacement, to be placed by June 2017. The Initial PIN Notice was issued in June 2016.

CBP Theme: Prepare for the future		
CBP Workstream: Plan for the expansion of Metro and local rail networks		
Risk Owner: Transport Strategy Director Risk Actionee: Head of Network Extensions Risk Area: Metro and local rail strategy	RAG Status (Amber)	Direction of Travel
	9 (3x3)	← → (static)
Risk: That work to expand the metro and local rail network does not progress.		
Impact/Consequence(s): Should the project be unable to identify suitable options for expansion of the Metro and local rail systems this could have adverse implications for the local economy and the environment. The growth in housing and employment that is anticipated for the area may not materialise or would be more reliant on the car for accessing work, leisure and shopping activities leading to an increase in traffic congestion with the air quality implications involved. Overall, this may limit the potential for economic growth and prosperity across the NECA area.		
Control(s): <ul style="list-style-type: none"> • Embedding expansion of the Metro and local rail network within NECA's Transport Plan for the North East. • Establishing strong contacts and working relationships with relevant stakeholders. • Identifying and utilising suitable frameworks for developing and progressing the project including Nexus Stage Gate project control process and the development of an Outline Business Case. • Developing an appropriate communications strategy to ensure key decision makes are kept informed. 		
Key Milestones/Next Steps: <ul style="list-style-type: none"> • Progress reporting as required by Nexus' Stage-Gate process. • Potential future Rail Conference to take place in the North East during 2017. 		

CBP Theme: Prepare for the future		
CBP Workstream: Plan for local bus service improvements		
Risk Owner: Transport Strategy Director Risk Actionee: Corporate Manager Bus Services Risk Area: Bus strategy delivery arrangements	RAG Status (Amber)	Direction of Travel
	9 (3x3)*	← → Static
Risk: That new legislation does not provide the necessary means to deliver the Bus Strategy.		
Impact/Consequence(s): <p>The 2017 Bus Services Act received Royal Assent in May 2017, and provides new means for the NECA to deliver its bus strategies.</p> <p>The Act provides access to new forms of bus partnership to all local transport authorities. The Act also provides the NECA with the option of assessing and implementing a Bus Franchising Scheme, as long as Secretary of State approval is obtained (only mayoral combined authorities can assess and implement bus franchising without prior approval of the Secretary of State).</p> <p>The detailed requirements to implement these options will be set out in Statutory Guidance, which is scheduled for publication during August 2017.</p> <p>Timescales for delivering any of the options provided for under the Bill may be lengthy as a result of the novelty of the proposed legislation.</p> <p>There are a number of political and practical risks associated with implementing bus partnerships and franchising schemes that will need to be managed and mitigated.</p>		
Control(s): <ul style="list-style-type: none"> • Ensure local stakeholders are aware of the Act's provisions and their implications. • Engage with DfT. • Engagement with local politicians to brief on the new legislative requirements. • Put in place background information and research projects in order to ensure that decision makers are fully informed about the benefits the Act can deliver. 		
Other actions being taken in preparation for the use of provisions in the Bus Services Act: <ul style="list-style-type: none"> • Undertake a full review of options to deliver the Bus Strategy, including options for bus franchising, through a scoping study. This study will lead to the development of a business case for a preferred option, for consideration by the NECA. • Maintain constructive dialogue with local bus operators, with a view to developing partnership options for the NECA area. 		

- Mitigate legal, operational and procurement risks by seeking appropriate advice.

Next Steps/Key Milestones:

- Joint working between the NECA's three delivery agencies (Nexus, Northumberland County Council and Durham County Council) to prepare a new Bus Strategy, in parallel with the emerging Transport Plan for the North East, and then investigate options to deliver that strategy.
- Update and review proposals for delivering the bus strategy once the Statutory Guidance has been published later in 2017.
- Prepare a business case for implementation of the preferred bus strategy delivery option.

CBP Theme: Prepare for the future		
CBP Workstream: Secure investment in local public transport assets		
Risk Owner: Director of Finance and Resources Risk Area: Business cases for external funding	RAG Status (Amber)	Direction of Travel
	9 (3x3)	↔ (static)
Risk: Business cases to secure additional funding for improvements to the asset base are not delivered to time.		
Impact/Consequence(s): Lack of public sector funding means Nexus is becoming more reliant on attracting external funding for which good quality business cases that show Value for Money are required. Nexus' capability and capacity to prepare business cases on time and to the required quality will impact on Nexus' success in attracting such funding.		
Control(s): <ul style="list-style-type: none"> • Dedicated resources in Corporate Planning section • Programme that ensures tasks and responsibilities are carried out to time • Budgets established • Liaison with the Regional Team to co-ordinate activity • Close supervision of economic consultancy inputs, providing the required information to ensure timely advice 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Develop business cases for Single Local Growth Fund (SLGF) 'pipeline' schemes as prioritised by the Regional Team • Establish resources to develop SLGF 'pipeline' schemes to Stagegate 3 • Develop possible future schemes to Stagegate 3 and establish a Nexus' pipeline • Promote the Stagegate process to capture ideas for possible longer-term future schemes 		

CBP Themes: Focus on organisational effectiveness. CBP Workstream: Refine training and succession planning/Ensure Nexus is an employer of choice		
Risk Owner: Director of Rail and Infrastructure Risk Actionee: Corporate Manager Legal and Human Resources Risk Area: Future retention of key skills and abilities.	RAG Status (Green) 6 (2x3)	Direction of Travel ← → (static)
Risk: Nexus may be unable to recruit and retain key personnel because of public sector pay restraint and competition from more buoyant employers.		
Impact/Consequence(s): This could adversely impact on Nexus' ability to deliver key projects on behalf of the NECA. Placing reliance on third party resources (e.g. external consultants) to provide the required skills and expertise could result in increased costs and/or delays.		
Control(s): <ul style="list-style-type: none"> • Keeping the "person spec" for key posts under review to optimise the potential size of the application base. • Monitoring key activities within Nexus recruitment process to ensure optimal outputs are achieved. • Continuing to develop the internal graduate base from which to draw. • Utilising 'fast-track' options to maintain and grow the graduate base. • Having succession plans for key business areas. • Developing training and succession planning to ensure we are fit to meet changing business requirements. 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Review future organisational requirements in key parts of Nexus. 		

CBP Theme: Focus on organisational effectiveness		
CBP Workstream: Service review to balancing the budget		
Risk Owner: Director of Finance and Resources Risk Area: Nexus' spending review	RAG Status (Green)	Direction of Travel
	6 (2x3) Green	↔ (static)
Risk: Nexus' service review fails to deliver the necessary savings.		
Impact/Consequence(s): There is a risk that Nexus' service review may not produce the savings necessary to meet the proposed reduction in funding available from the levy, together with the requirement to eliminate reliance on use of reserves by 2019/20.		
Control(s): <ul style="list-style-type: none"> • TWSC approval to budget strategy at its meeting on 3 November 2016 • Budget managers remitted to prepare service plans • Consultation with public and key stakeholders was undertaken over June and July 2016 • Base budget review carried out • Balance sheet review undertaken • Budget proposals and savings targets agreed 		
Next Steps/Key Milestones: <ul style="list-style-type: none"> • Proposals for consideration by TWSC were formulated on the basis of the consultation results • TWSC then made informed choices regarding Nexus' prioritisation of services within the reduced resource base as remitted by the Leadership Board • Nexus prepared its forward plan commencing 2017/18 on the basis of the agreed prioritisation for consideration through the NECA budget formulation process • NECA Leadership Board approved budget proposal, the transport levy for Tyne and Wear and grant to Nexus at its meeting on 17 January 2017 • Nexus' strategic budget position to be discussed with LA Treasurers and Chief Executives during Summer 2017 		

CBP Theme: Focus on organisational effectiveness		
CBP Workstream: Service review to balancing the budget		
Risk Owner: Managing Director Transport Operations Risk Area: Progressing the devolution agenda	RAG Status (Amber)	Direction of Travel
	8 (2x4)	↔ (static)
Risk: The devolution agenda on transport matters is progressed without due regard to Nexus' funding, functions and powers.		
<p>Impact/Consequence(s):</p> <p>There is a risk that the devolution agenda is progressed without due regard to Nexus' funding, functions and powers potentially leading to sub-optimal decisions with regard to making future provision for public transport arrangements in the NECA area.</p> <p>If devolution or structural change to the NECA area goes ahead without due regard for Nexus duties and powers as the Passenger Transport Executive for Tyne and Wear there is the potential for increased complexity and cost.</p> <p>There will also be uncertainty in the development of area wide transport policies and any associated action to deliver them.</p>		
<p>Control(s):</p> <ul style="list-style-type: none"> Engagement with NECA statutory officers to identify legal and financial considerations Work with the Chief Executives' Group to identify issues and mitigations Liaison with District officers to identify working approaches in the event of the current statutory arrangements being redefined 		
<p>Next Steps/Key Milestones:</p> <ul style="list-style-type: none"> To be determined 		

Strategic Risk Analysis Toolkit

Action plans must be developed for Red and Amber risks

Determine the risk priority					
Impact					
		Insignificant	Minor	Significant	Critical
Likelihood	High	4	8	12	16
	Medium	3	6	9	12
	Low	2	4	6	8
	Negligible	1	2	3	4

Assess the likelihood of the risk occurring	
High	Risk will almost certainly occur or is occurring at present
Medium	Risk is likely to occur in most circumstances
Low	Risk may occur
Negligible	Risk is unlikely to occur

Assess the impact should the risk occur

Assess the impact should the risk occur								
	Council Priority	Service Delivery			Financial	Reputational		
Critical/Showstopper	<ul style="list-style-type: none">• More than 4 priority outcomes affected• Move than one significant service objective adversely affected• Death of one or more persons• Major environmental impact	<ul style="list-style-type: none">• Critical service failure/disruption to frontline services• Statutory duty/deadlines not met• Serious decline/impact on portfolio or performance indicators (PI)• Unplanned major re-prioritisation of resources and/or services• Failure of major programme/project			<ul style="list-style-type: none">• Over £2m financial hit on gross budget• Significant adverse impact on revenue stream (>£1.5m)• Loss of major funding opportunity(>£10m)• Prosecution• Qualification of accounts• Significant risk of fraud or illegal act (pre/post contract)	<ul style="list-style-type: none">• Adverse national media attention• Loss of/negative inspection rating• External criticism (press)• Relationship with supplier severely damaged• Significant loss of community confidence• Significant decline in resident satisfaction		
Significant	<ul style="list-style-type: none">• 2-4 priority outcomes adversely affected• One significant service objective adversely affected• Multiple serious injuries• Significant environmental impact	<ul style="list-style-type: none">• Significant partial loss of frontline services• Recoverable impact on portfolio, PI's , inspection targets• Failure of non major project or significant delay• Some re-prioritisation of services required			<ul style="list-style-type: none">• £1m-£2m financial hit• Notable adverse impact on ongoing revenue stream (£0.5m-£1.5m)• Loss of notable funding opportunity• Fines/Penalties• High fraud risk	<ul style="list-style-type: none">• Adverse regional and/or local media attention• Poor inspection outcome• Continuing unresolved complaints• Notable decline in resident satisfaction• Deteriorating supplier relationships		
Minor	<ul style="list-style-type: none">• Less than 2 priority outcomes adversely affected• Isolated serious injury/ill health• Minor environmental impact	<ul style="list-style-type: none">• Isolated or limited service reduction• Poor improvement in measured PI and remedial action required from inspection reports			<ul style="list-style-type: none">• £100k-£1m financial hit• Minor adverse impact on ongoing revenue stream• Internal virement• Low risk of fraud	<ul style="list-style-type: none">• Adverse local reaction• Isolated decline in resident satisfaction• Failure to reach agreement with individual suppliers• Sporadic complaints		
Insignificant	<ul style="list-style-type: none">• Minor affect on priorities/service objectives• Isolated minor injury/ill health• No environmental impact	<ul style="list-style-type: none">• Minor/isolated service disruption			<ul style="list-style-type: none">• Below £100k financial hit			
Risk Categories								
Financial/Economic		Environmental	Legal	Customers	Partnership	Technological	Performance	People

By virtue of paragraph(s) 3, 4, 5 of Part 1 of Schedule 12A
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