



north east combined authority

Transport North East (Tyne and Wear) Sub-Committee

Thursday 17th September 2015 at 2.00 pm

Meeting to be held at 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 7 July 2015** 1 - 6
4. **Monitoring Nexus's Performance: 1st April to 18th July 2015**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985
5. **DB Regio Tyne & Wear Limited (DBTW) Performance Update** 7 - 12
6. **Expiry of the Tyne and Wear Metro Concession and options to extend** 13 - 16
7. **Update on Nexus's Strategic Risks 2015/16** 17 - 34
8. **Use of "Gold Card" Travel Pass on Metro - response to Petition** 35 - 40

9. **Nexus Publicity Marketing and Promotions Policy**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985

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

Tuesday, 24 November 2015 at 2pm at the County Hall, Durham.

11. **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.

12. **Confidential Minutes of the Previous Meeting held on 7 July 2015** **41 - 42**

13. **Nexus Publicity Marketing and Promotions Policy: Additional Information**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985

14. **Expiry of the Tyne and Wear Metro Concession and Options to Extend: Additional Information**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985

15. **Purchase of land and property at Wesley Way, Benton Square Industrial Estate, North Tyneside** **43 - 48**

16. **Concessionary Travel Reimbursement for 2015/16 and 2016/17** **49 - 52**

17. **Tyne Tunnel Update**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985

Contact Officer: Victoria Miller Tel: 0191 211 5118 E-mail: victoria.miller@newcastle.gov.uk

To All Members

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

9 July 2015

Meeting held Civic Centre, Burdon Road, Sunderland, SR2 7SN

Present:

Councillor: Harrison (Chair)

Councillors: McCarty, McElroy, Mordey and Hobson

1 APPOINTMENT OF CHAIR FOR THE PURPOSE OF THE MEETING

RESOLVED – That Councillor John Harrison be appointed as Chair for the purpose of the meeting.

Members discussed the approach to the appointment of Chair of the Sub-Committee, including the approach taken in the municipal year 2014/15. It was confirmed that the North East Leadership Board had delegated the authority for appointing Chair and Vice-Chair of the Transport North East (Tyne and Wear) Sub-Committee to the Transport North East Committee.

2 APPOINTMENT OF VICE-CHAIR FOR THE PURPOSE OF THE MEETING

RESOLVED – That Councillor Gladys Hobson be appointed as Vice-Chair for the purpose of the meeting.

3 APOLOGIES FOR ABSENCE

There were no apologies for absence received.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 20 April 2015 were approved as a correct record and signed by the Chair.

In relation to the request that a policy seminar should be organised for Members early in this municipal year, as referred to in the resolution in Minute 51, it was confirmed that the policy seminar had been held in June.

6 PETITION - USE OF A TRAVEL PASS ON METRO

Submitted: A report of the Monitoring Officer (previously circulated and copy attached to Official Minutes).

Members considered the report which informed them about the receipt of a petition from the Newcastle Transport Users Group (NTUG) who were asking for more flexibility in relation to the time of use of a travel pass on Metro. Representatives of the NTUG addressed the Sub-Committee in support of the petition.

RESOLVED – That:

- I. the petition, as attached at Appendix A, be received; and
- II. the Managing Director (Transport Operations) would consider the matter and report back to the Sub-Committee at the next meeting.

7 TYNE AND WEAR GO SMARTER PROGRAMME 2015/16

Submitted: A report of the Chief Executive Officer for Transport (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on the Tyne and Wear Go Smarter Programme 2015/16. During the ensuing discussion it was noted that:

- The schemes within the programme had been prioritised by analysing the key congested corridors and identifying potential areas of the biggest impact as a result of the schemes.
- The Tyne and Wear Go Smarter programme was funded by a combination of revenue and capital funding and also contributions from the local authorities.
- A lot of data was collected as part of monitoring the performance of the programme. Performance information would be provided to Members at a future meeting.
- There were risks associated with the lack of certainty of funding for the programme for the future years.
- It was important to continue the work on Schools Go Smarter, including addressing the issue of inconsiderate parking at around schools and nearby residential areas.

RESOLVED – That:

- I. The report be noted;
- II. A report be submitted to a future meeting with information on:
 - the funding of the programme, including funding for projects after 2015/16 and the options that had been submitted to the Department for Transport in relation to securing the continuation of funding;
 - the process that had been taken to identify and prioritise schemes and initiatives within the programme; and
 - the evidence that the programme and the individual schemes within it were making a difference, including information on the tools that were used to measure the performance and outcomes.

8 **MONITORING NEXUS' PERFORMANCE 2014/15 AND 2015/16**

Submitted: Joint reports of the Chief Executive Officer for Transport and the Managing Director (Transport Operations) on Nexus' performance 2014/15 and 2015/16 (previously circulated and copy attached to Official Minutes).

Members considered the two reports jointly.

(a) **Monitoring Nexus' Performance 2014/15**

Members considered the report which set out information on the Nexus performance during the financial year 2014/15. During the ensuing discussion it was noted that:

- Members asked for a more detailed report that would be inclusive of information on patronage, mileage and secured services. It was confirmed that a future report would include a wider range of indicators.
- A Member expressed concern about the performance of the Metro services and the adverse impact on users, particularly at the beginning of 2015. A Member spoke about the importance of continuing to work to address these issues.
- Work was in progress to roll out the North East Smart Ticketing Initiative's pilots and to consider options for the potential increase of the functionality of the Pop Card.

RESOLVED – That the report be noted.

(b) **Monitoring Nexus' Performance 2015/16**

Members considered the report which set out information on the Nexus performance in the current financial year. During the ensuing discussion a Member welcomed the recent increase in the Metro patronage.

RESOLVED – That the report be noted.

9 **DB REGIO TYNE & WEAR LIMITED (DBTW) PERFORMANCE UPDATE**

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

Members considered the report which provided an update to the current performance of the Tyne and Wear Metro system which was operated by DB Regio Tyne and Wear Limited (DBTW). During the ensuing discussion it was confirmed that DBTW had a track access contract with Network Rail and that DBTW, Nexus and Network Rail met regularly with the aim to improve service delivery.

RESOLVED – That:

- I. the report be noted; and

- II. consideration be given to inviting a representative of the management team of Network Rail to a future meeting.

10 **NEXUS'S STRATEGIC RISKS 2015/16**

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

Members considered the report which provided an update on the current strategic risks that had been identified by Nexus for the financial year 2015/16 and the associated control processes.

RESOLVED – That the current status of the strategic business risks identified by Nexus for the financial year 2015/16 be noted.

11 **REVIEW OF NEXUS POLICIES**

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

Members considered the report which sought endorsement of the intention to review a range of Nexus's policies.

RESOLVED – That Nexus' intention to bring a series of policies to the Sub-Committee for review be endorsed.

12 **NEXUS GOVERNANCE ARRANGEMENTS**

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

Members considered the report which set out information on the proposed changes to the internal governance structures of Nexus. As a point of correction in relation to the information set out in paragraph 2.4 of the report, it was noted that the intention was to appoint two independent members of the NECA Governance Committee to the Nexus Audit Committee.

RESOLVED – That:

- I. The proposal to update the Nexus governance arrangements in relation to its Management Committee/Executive Board by disbanding those committees and replacing them with the Nexus 'Corporate Management Team' be endorsed; and
- II. The proposal to retain the Nexus Audit Committee which would continue to draw its membership from an external, independent source (paragraph 2.4, subject to its amendment to reflect the intention to appoint two independent members of the NECA Governance Committee to the Nexus Audit Committee, refers) be endorsed.

13 **DATE AND TIME OF NEXT MEETING**

17 September 2015 at 2pm at North Tyneside.

14 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED – That by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 press and public be excluded from the remainder of the meeting during the consideration of agenda item 15 - Confidential Minutes of the Previous Meeting and agenda item 16 - The Tyne and Wear Metro Concession because exempt information was likely to be disclosed and the public interest against the disclosure was satisfied.

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North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

DATE: 17th September 2015

SUBJECT: DB Regio Tyne & Wear Limited (DBTW) Performance Update

REPORT OF: Managing Director (Transport Operations)

EXECUTIVE SUMMARY

The purpose of this report is to provide an update on the current performance issues with regards to DBTW.

RECOMMENDATIONS

It is recommended that the Committee notes the contents of this report.

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Transport North East (Tyne and Wear) Sub-Committee

1 Background

Whilst Nexus's overall performance is provided to the Sub-Committee in the separate report entitled 'Monitoring Nexus's Performance', this report is intended to provide supplementary information relating to the operation of the Metro system by the Concessionaire, DBTW.

2 Overall performance of the Metro system

2.1 The overall performance of the network is reported to passengers through the Metro Passenger Charter using a measure known as 'Charter Punctuality'. The target for this measure is 87.2% and the three most recent periods recorded the following results:

- Period 3 84.0%
- Period 4 84.7%
- Period 5 86.4%

2.2 The average Charter Punctuality across the three periods was 85.0%, which is an improvement compared to the three previous periods' average of 83.4%.

2.3 Charter Punctuality achieved during the equivalent three periods last year was slightly higher at 85.9%, however the gap between this year's performance and last year's performance is narrowing - six months ago there was a difference of eight percentage points.

2.4 Therefore, although there remains some way to go before Charter Punctuality meets the required level, there is a trend of improvement to reflect the efforts that have been made by DBTW and Nexus to focus on punctuality and reliability.

3 Breakdown of influences on performance

3.1 Punctuality results are a result of the performance of three organisations: DBTW, Nexus (in its capacity as infrastructure provider), and Network Rail.

3.2 Within DBTW there is a considerable focus on improving day-to-day delivery, reinforced by joint performance meetings with Nexus to identify improvement actions. This is starting to achieve positive results, with an average 3% improvement in delay minutes attributed to DBTW per period, when compared to the three previous periods.

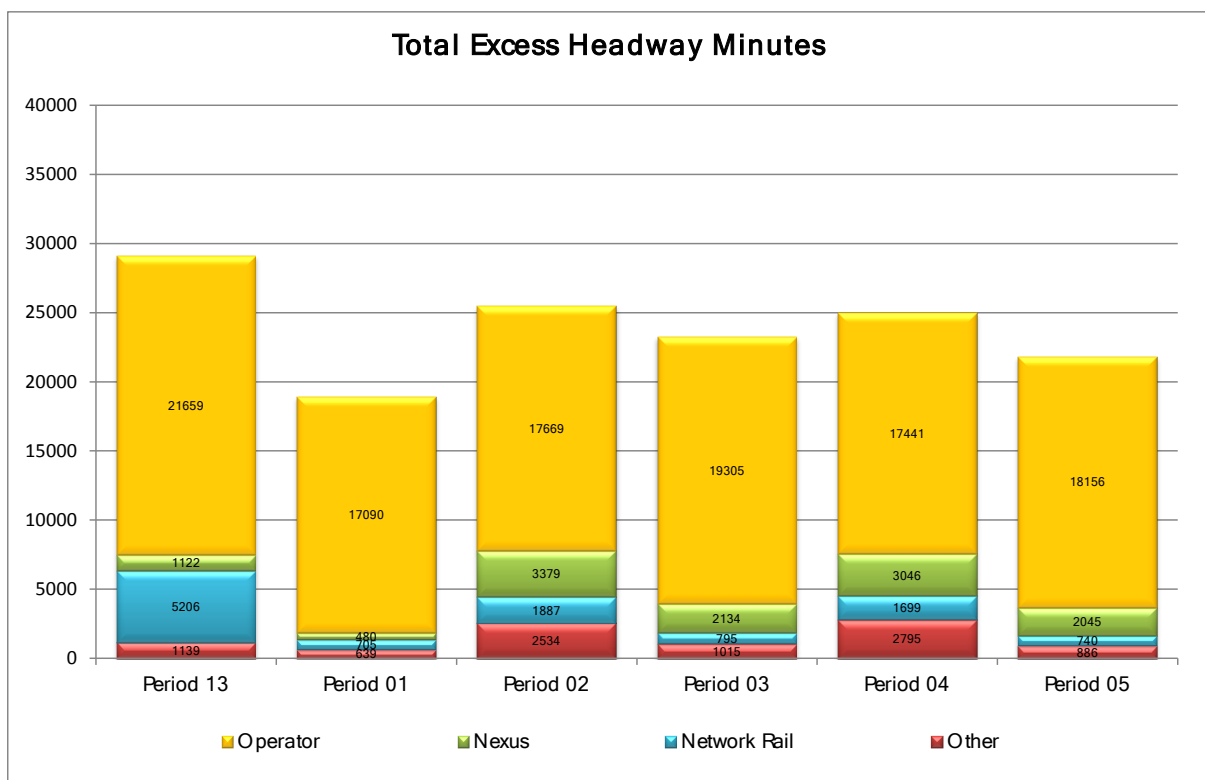
3.3 An internal drive called "Metro 90" has recently been launched by DBTW aimed at ensuring that all employees across the business are constantly focused on achieving high performance for customers.

3.4 Improvements have been made to the reliability of the train fleet, reinforced by weekly monitoring meetings with Nexus. Earlier in the year reliability had dropped to being around 6,000km between fleet failures that were the cause of delays or cancellations, but this has now improved to over 8,000km between such failures.

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- 3.5 Although Nexus' assets performed well during the periods being reported on, a number of external factors including a serious trespass incident disrupted the operation of the Metro's infrastructure leading to a 45% increase in the average number of delay minutes per period.
- 3.6 Network Rail had reasonably stable level of performance during the periods being reported on leading to a 56% improvement in the average number of delay minutes per period.
- 3.7 The delay minutes (known as 'Excess Headway Minutes') attributable to the three organisations responsible for them, are shown in the graph below:



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- 3.8 The trend for each organisation based on average Excess Headway Minutes per period is as follows:

	Average EHM / Period		
	Previous 3 Periods	Current 3 Periods	Trend
Operator	18,806	18,301	3% Improvement
Nexus	1,660	2,408	45% Worse
Network Rail	2,599	1,078	59% Improvement

4 Potential Impact on Objectives

- 4.1 The successful operation of the Tyne and Wear Metro assists the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

5 Finance and Other Resources

- 5.1 The penalties levied on DBTW during 2014/15 were £27,000 in excess of the budgeted for amount. Penalties specifically relating to train operations amounted to £271,192 which was broadly in line with expectations.

6 Legal

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

7 Other Considerations

7.1 Consultation/Community Engagement

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

7.2 Human Rights

There are no specific human rights considerations arising from this report.

7.3 Equalities and Diversity

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

7.4 Risk Management

There are no specific risk management considerations arising from this report.

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7.5 Crime and Disorder

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

7.6 Environment and Sustainability

There are no specific environment and sustainability considerations arising from this report.

8 Background Documents

8.1 None.

9 Links to the Local Transport Plans

9.1 This report has no direct links to plans in the Policy Framework.

10 Appendices

10.1 Not applicable.

11 Contact Officers

11.1 Raymond Johnstone, Director of Rail & Infrastructure, Nexus
raymond.johnstone@nexus.org.uk
Tel: 0191 203 3500

12 Sign off

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

13 Glossary

DBTW – Deutsche Bahn Regio Tyne and Wear Ltd, the current operator of the Tyne and Wear Metro through the Concession Agreement with Nexus

Excess Headway Minutes - the method by which delays experienced by passengers are measured

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North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

Date: 17th September 2015

Subject: Expiry of the Tyne and Wear Metro Concession and options to extend

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to inform Members that the Metro Concession Agreement expires on 31st March 2017, with an option for Nexus to extend for a further two years.

The report will outline options open to Nexus for the extension of the contract from 2017-19.

Recommendations

It is recommended that the Sub-Committee note this report which will be discussed in detail as part of the confidential agenda.

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1 Background Information

- 1.1 The Tyne and Wear Metro is owned by Nexus which is responsible for setting fares, specifying the timetable and the quality standards across the network on behalf of the NECA.
- 1.2 Since April 2010, train operations, customer services and the maintenance and refurbishment of the fleet of Metro Cars have been contracted to DB Regio Tyne and Wear Limited (DBTW) under the terms of the Concession Agreement, entered into by both parties at that time.
- 1.3 The Metro Concession Agreement expires on 31st March 2017, with an option for Nexus to extend for a further two years.

2 Proposals

- 2.1 A report which outlines options available to Nexus will be discussed as part of the confidential agenda.

3 Next Steps

- 3.1 Members are asked to consider the report included in the confidential section of the agenda.

4 Potential Impact on Objectives

- 4.1 The proposals in the report forms part of the process for re-letting the next concession, which should assist with the effective achievement of the NECA's objectives through the procurement of new rolling stock and improved performance.

5 Finance and Other Resources

- 5.1 The financial implications are included in the confidential report on the agenda.

6 Legal

- 6.1 Legal implications are included in the confidential report on the agenda.

7 Other Considerations

- 7.1 **Consultation/Community Engagement**

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

7.2 Human Rights

There are no specific human rights considerations arising from this report.

7.3 Equalities and Diversity

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

7.4 Risk Management

Risk management considerations are discussed in detail in the confidential report.

7.5 Crime and Disorder

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

7.6 Environment and Sustainability

There are no specific environment and sustainability considerations arising from this report.

8 Background Documents

8.1 None.

9 Links to the Local Transport Plans

9.1 This report has no direct links to plans in the Policy Framework.

10 Appendices

10.1 Not applicable.

11 Contact Officers

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

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Transport North East (Tyne and Wear) Sub-Committee

12 Sign off

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

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

Date: 17th September 2015
Subject: Update on Nexus's Strategic Risks 2015/16
Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to update the Committee on the strategic risks that are being managed by Nexus for 2015/16.

There have been no changes to the risk scores for the eight risks originally identified.

The control processes being applied have been updated where appropriate to reflect the current situation.

A new (ninth) risk has been added regarding potential future challenges with regard to recruiting and retaining staff to deliver the NECA's ambitions and objectives.

A further update will be presented to the next meeting.

Recommendations

It is recommended that the Committee receives and notes the current status of the nine strategic business risks currently being managed by Nexus.

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Transport North East (Tyne and Wear) Sub-Committee

1 Background Information

- 1.1 At its meeting on 22nd April 2015 the Committee received and considered the eight strategic business risks identified by Nexus for 2015/16, when it was also proposed that the Committee should receive regular updates on Nexus strategic risks. An update was presented to the Committee's meeting on 9th July 2015.
- 1.2 In line with best practice Nexus regularly reviews its strategic risks to apprise any changes that have taken place in either the likelihood of the risk occurring or the severity of the consequences for the business in such an event. The review being reported on has not identified any changes to the risk scores.
- 1.3 The opportunity has been taken, where appropriate, to update the control processes to ensure they remain relevant and appropriate. This has involved only one of the eight strategic original risks as follows:
 - **Ref. SR.15.03:** entitled 'Tools to deliver the bus strategy' where the control process relating to putting in place background information and carrying out research projects has been strengthened to clarify that decision makers will be fully informed about the benefits the Quality Contracts Scheme can deliver.
- 1.4 During the course of the review process the addition of a new strategic risk was considered to be appropriate. This relates to potential concerns about Nexus's future ability to retain and recruit staff with the skills and capabilities necessary to deliver the NECA's ambitions and objectives. Employment in certain key specialisms of the transport sector is buoyant at present, and Network Rail's emerging future work requirements may potentially act as a drain on railway engineering talent in particular. This new risk is set out at SR.15.09 in the attached risk log.

2 Proposals

- 2.1 The Committee will be kept updated on Nexus strategic risks at each meeting.

3 Next Steps

- 3.1 An update item will be built into the Committee's Forward Plan.

4 Potential Impact on Objectives

- 4.1 Nexus's strategic risk register will not impact directly on the objectives of the Authority's policies and priorities; however Nexus's approach to strategic risk management will support delivery of its aims and ambitions by acknowledging the biggest threats and putting plans in place to manage them.

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5 Finance and Other Resources

5.1 There are no direct financial implications for the NECA regarding the management of Nexus's Strategic Risk Register.

6 Legal

6.1 There are no legal implications.

7 Other Considerations

7.1 Consultation/Community Engagement

There are no consultation/community engagement considerations arising from this report.

7.2 Human Rights

There are no Human Rights implications directly arising from this report.

7.3 Equalities and Diversity

There are no equalities and diversity implications directly arising from this report.

7.4 Risk Management

There are no direct risk management implications for the NECA arising from this report.

7.5 Crime and Disorder

There are no crime and disorder implications directly arising from this report.

7.6 Environment and Sustainability

There are no environment and sustainability implications directly arising from this report.

8 Background Documents

8.1 There are no background documents.

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9 Links to the Local Transport Plans

9.1 Nexus's approach to strategic risk management will support delivery of the Strategic Economic Plan and the Tyne and Wear Local Transport Plan, by identifying and dealing with the biggest long-term threats to delivery.

10 Appendices

10.1 Nexus updated strategic risk register for 2015/16.

11 Contact Officers

11.1 Tobyn Hughes, Managing Director (Transport Operations),
Tobyn.hughes@nexus.org.uk
0191 2033246

12 Sign off

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

13 Glossary of Risk Terms

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 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, which is calculated twice:

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1. The Uncontrolled Risk Score represents the initial estimation of the severity of the risk: the uncontrolled score represents the initial estimation of the severity of the risk before controls are applied; and
2. The Controlled Risk Score is calculated by reassessing the risk taking into account consideration of the effect of having Controls on the Likelihood and Impact in place.

Strategic Risk - relates to those factors that might have a significant effect on the achievement of Nexus' long-term business objectives and therefore the successful delivery of the neca's policies and priorities.

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Nexus' Strategic Risk Log

2015/16: Periodic Update 2

Graham Robinson

Background:

- Strategic Risk relates to those factors that might have a significant effect on the achievement of Nexus' long-term business objectives and therefore the successful delivery of the NECA's policies and priorities.
- The effect can be vulnerability (adverse consequences) or opportunity (positive consequences).
- Risks are scored according to Likelihood (of the occurrence) and Impact (on the business).
- A five by five matrix is used, with a maximum score of 25.
- Nexus' corporate business plan themes for 2015/16 are: Leading the delivery of better public transport; Prepare Metro for the future; Deliver the Bus Strategy; and Continuous organisational improvement. Each risk indicates which theme it is associated with.
- Nexus' strategic risks will be reviewed and updated prior to each TWSC meeting, and an update on the current position will be reported to confirm whether or not any change has been identified.

Log of Nexus Strategic Risks for 2015/16

Theme:	Prepare Metro for the future.		
Risk name:	Funding for & affordability of Metro Asset Renewal Plan (ARP) Phase 2.		
Risk Identifier:	SR.15.01	Risk Owner:	Director of Finance and Resources
Risk Description:	DfT has confirmed 100% of ARP funding for 2016/17, however only 75% of uplift funding has so far been confirmed for 2017/18 and 2018/19. It is essential that full funding for these years is achieved within the next 12 months, otherwise Phase 2 of the ARP would need to be scaled back significantly. The final tranche of ARP funding for years 2019/20 & 2020/21 is presently confirmed at 50% and this will be addressed in due course.		
Control Processes:	<ul style="list-style-type: none"> • Implementation of DfT/AMCL process audit recommendations. • Effective programme management, project delivery and budget control processes. • Effective liaison with DfT including 4-weekly progress reporting and 1/4ly reviews. • Explain to DfT the outcome of not achieving full funding in terms of the implications for asset performance and the long-term affordability of the ARP. • Meeting with DfT in May 2015 in order to ensure confirmation of full funding for years 8 and 9 is considered in the forthcoming Spending Review • Procurement strategy & contractual arrangements that minimise risk and deliver VFM. • Value engineering, technology choice, option analysis, specification and scope. • Engaging members in work prioritisation processes. • Active stakeholder engagement/increasing public awareness. • Engaging with national government, local councillors & MPs and building public support. 		
Uncontrolled:	Likelihood: Very High	Impact: Very High	Score: 25 (5x5)
Controlled:	Likelihood: Low	Impact: Very High	Score: 10 (2x5)

Log of Nexus Strategic Risks for 2015/16

Theme:	Prepare Metro for the future.
Risk name:	Funding commitment to Metro ARP Phase 3.
Risk Identifier:	SR.15.02
Risk Owner:	Managing Director (Transport Operations)
Risk Description:	That key stakeholders may not give a positive commitment to Phase 3 of Metro reinvigoration.
Control Processes:	<ul style="list-style-type: none">• Developing the long term Metro strategy.• Linking the strategy's proposals 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.
Uncontrolled:	Likelihood: Very High Impact: Very High Score: 25 (5x5)
Controlled:	Likelihood: Significant Impact: Significant Score: 09 (3x3)

Log of Nexus Strategic Risks for 2015/16

Theme: Leading the delivery of better public transport.

Risk name: Realising smart technology outcomes.

Risk Identifier: SR.15.03

Risk Owner: Corporate Manager Business Change and Technology.

Risk Description: That a combination of factors including emerging technological developments, changing business requirements and shifts in stakeholder expectations could give rise to sub-optimal outcomes.

Control Processes:

- Develop a technology roadmap that will provide a blueprint for progress over the next 5 to 15 years.
- Seek to 'future proof' developments using appropriate procurement and contractual arrangements.
- Regular review of future business requirements.
- Recruit and develop staff.
- Develop new retail products and sales channels to enhance customer experience.
- Develop and document internal business rules, processes and change management controls.
- Manage the aspirations and expectations of partners and stakeholders.
- Robust partnership working arrangements.
- Clarity and shared understanding with stakeholders about what specific projects will and will not deliver.
- Raise understanding and awareness of projects through relevant communications and marketing campaigns.

Uncontrolled Score: Likelihood: Very High Impact: Very High Score: 25 (5x5)

Controlled Score Likelihood: Significant Impact: High Score: 12 (3x4)

Log of Nexus Strategic Risks for 2015/16

Theme:	Deliver the Bus Strategy.		
Risk name:	Public Funding for Bus Services		
Risk Identifier:	SR.15.04		
Risk Owner:	Director of Finance and Resources		
Risk Description:	That reduced public transport funding, including changes to the allocation of CT, may further limit Nexus ability to deliver socially necessary bus services.		
Control Processes:	<ul style="list-style-type: none"> • Effective financial strategy, planning and management. • Explain the need to protect budgets for secured service provision to stakeholders. • Use Continuous Monitoring Survey and Smart Ticketing data to help inform discussions with bus operators with regard to the calculation and distribution of CT reimbursement. • Engage government via pteg and directly on CT funding matters. • Increase awareness of the need for public funding to support the local bus service network. • Build local support for the social, environmental and economic benefits of bus services. • Ensure that procurement strategy and contractual arrangements deliver VFM. • Prepare options for service reductions should pressures on funding become material. • Clearly articulate how the BSDP/QCS will protect service provision. 		
Uncontrolled:	Likelihood: Very High	Impact: Very High	Score: 25 (5x5)
Controlled:	Likelihood: Significant	Impact: Very High	Score: 15 (3x5)

Log of Nexus Strategic Risks for 2015/16

Theme:	Deliver the Bus Strategy.		
Risk name:	Tools to deliver the bus strategy.		
Risk Identifier:	SR.15.05		
Risk Owner:	Corporate Manager Bus Services		
Risk Description:	That the process to introduce a QCS is novel and complex, leading to uncertainty over outcomes and timescales for delivery.		
Control Processes:	<ul style="list-style-type: none"> • Mitigate legal risks by seeking detailed advice from Counsel and specialist legal advisers. • Ensure that the financial strategy dovetails with expected QCS timescales. • Prepare a detailed transformation plan. • Mitigate operational and procurement risks by seeking advice from bus industry specialists. • Ensure the QCS is legally and procedurally compliant to meet the required formal conditions. • Ensure local and national stakeholders are aware of the process as it develops. • Maintain constructive dialogue with local bus operators. • Put in place background information and research projects in order to ensure that: <ul style="list-style-type: none"> ○ Decision makers are fully informed about the benefits the QCS can deliver, and ○ A strong and open competition for the procurement of Quality Contracts can be achieved. 		
Uncontrolled:	Likelihood: Very High	Impact: Very High	Score: 25 (5x5)
Controlled:	Likelihood: Significant	Impact: High	Score: 12 (3x4)

Log of Nexus Strategic Risks for 2015/16

Theme: Leading the delivery of better public transport.

Risk name: Service Quality of Metro Concession.

Risk Identifier: SR.15.06

Risk Owner: Director of Rail and Infrastructure.

Risk Description: That continued delivery of the current Metro operating concession may not meet expectations.

Control Processes:

- Maintain close concession contract management with DBTW.
- Reinforce DBTW approaches with professional support and expertise from Nexus employees where appropriate.
- Joint meetings to focus on operational delivery and improvements to customer communications.
- Regular liaison between Nexus/DBTW senior management teams and with Arriva Rail.
- Keep key stakeholders informed of developments.
- Enforcement of contractual penalty mechanisms.
- Feed lessons into development of approaches to future delivery of Metro services

Uncontrolled: Likelihood: High Impact: Very High Score: 20 (4x5)

Controlled: Likelihood: Significant Impact: Significant Score: 9 (3x3)

Log of Nexus Strategic Risks for 2015/16

Theme:	Leading the delivery of better public transport.		
Risk name:	Quality of non-Metro Infrastructure Assets.		
Risk Identifier:	SR.15.07		
Risk Owner:	Director of Rail and Infrastructure		
Risk Description:	That, due to financial pressures, reductions in the level of capital resources for the non-Metro asset base (e.g. ferry, bus stations, bus shelters and associated infrastructure) could result in adverse consequences for the quality of this infrastructure with consequential negative impacts on service delivery and customer satisfaction which need to be addressed through better use of the resources available.		
Control Processes:	<ul style="list-style-type: none">• Update and expand knowledge of the non-Metro infrastructure asset base including information confirming current location, deployment, use and condition etc.• Development of a long term plan for improving the condition, capability and capacity of the non-Metro assets to meet the required standards for service delivery e.g. through maintenance, repair, replacement or renewal.• Engage as necessary external stakeholders to obtain their commitment to the resource requirement involved.		
Uncontrolled:	Likelihood: High (4)	Impact: High (4)	Score: 16 (4x4)
Controlled:	Likelihood: Low (2)	Impact: High (4)	Score: 8 (2x4)

Log of Nexus Strategic Risks for 2015/16

Theme:	Continuous organisational improvement.
Risk name:	Learning from safety related accidents and near-miss incidents
Risk Identifier:	SR.15.08
Risk Owner:	Corporate Manager Health, Safety, Training, Quality & the Environment
Risk Description:	That Nexus' ability to deliver services and functions could eventually be compromised if it does not ensure organisational learning from workforce accidents and near misses. Reducing the incidence of accidents and near misses by analysing causes and implementing improvements will help ensure the capacity and capability of the workforce is retained and developed.
Control Processes:	<ul style="list-style-type: none">• Continue to record and monitor data about accidents and near misses.• Reinforce the process of identifying failings through accident investigation and analysis of near misses.• Ensure progress is made in improvement actions identified to address those failings.• Continue to utilise the All Accident Frequency Rate and similar indices for reporting and monitoring purposes.• Seek to establish benchmarking against best practice for similar organisations.• Enhance the safety culture of the organisation through the Safety Plan and a safety culture improvement programme.• Monitor and review organisational progress through the Corporate Management Team.
Uncontrolled:	Likelihood: Very High (5) Impact: Very High (5) Score: 25 (5x5)
Controlled:	Likelihood: Significant (3) Impact: Very High (5) Score: 15 (3x5)

Log of Nexus Strategic Risks for 2015/16

Theme: Prepare Metro for the future/ Deliver the bus strategy.

Risk name: Delivery of strategic commitments.

Risk Identifier: SR.15.09

Risk Owner: Director of Rail and Infrastructure.

Risk Description: That Nexus may be unable to recruit and retain the required levels of staffing capacity and capability to deliver the ambitions of the NECA. Public sector pay is falling behind the private sector which is starting to cause difficulties retaining and recruiting to key posts. The current employment market for certain transport specialisms is buoyant and Network Rail's future work requirements may act as a drain on railway engineering talent in particular.

Control Processes:

- Review and revise the "person spec" for key posts to open up the potential size of the application base.
- Review the market supplements available to key posts.
- Review key aspects within Nexus recruitment process.
- Develop a wider internal graduate base from which to draw.
- Explore 'fast-track' options to secure a graduate base.
- Assess the potential for enhanced training provision to develop in-house talent and the local skills base.

Uncontrolled: Likelihood: High Impact: Very High Score: 20 (4x5)

Controlled: Likelihood: Significant Impact: Very High Score: 15 (3x5)

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North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

Date: 17th September 2015

Subject: Use of “Gold Card” Travel Pass on Metro – response to Petition

Report of: Managing Director (Transport Operations)

Executive Summary

The purpose of this report is to advise members of Nexus’s response to the petition received at the 9th July meeting in relation to the use of Gold Card at the commencement of its period of validity, 09:30hrs.

Recommendations

The Committee is recommended to:

- a) note that a modification to the software to allow Gold Cards to be accepted by devices from 09:27hrs could be implemented from November 2015 if required; and
- b) advise whether it wishes this change to be applied.

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

1. Background Information

- 1.1. At its 9th July meeting, TWSC received a petition concerning a problem some Gold Card Users have with using their travel pass on the Metro around the 09:30hrs threshold. Devices (Gates and Platform Validators) are currently programmed only to accept cards carrying an off-peak entitlement within the hours of validity, i.e. from 09:30hrs only.
- 1.2. This means that Cardholders are only able to access the system from 09:30hrs and in some cases may have difficulty reaching the platform to catch a Metro that is departing at 09:30hrs or 09:31hrs
- 1.3. The petitioners requested a two minute waiver to enable them to touch in before the train arrives.
- 1.4. The Managing Director (Transport Operations) was requested to consider this matter and report back accordingly

2. Proposals

- 2.1. This issue had been raised with Nexus previously and our supplier had been approached about the ease of which such a change could be introduced. The advice was that this would involve significant additional cost to do in the short term.
- 2.2. However, within the context of ongoing discussions regarding future development with our supplier, they were asked to identify a suitable opportunity where this could be introduced alongside other changes to avoid the cost burden of a specific release.
- 2.3. The supplier has now confirmed that it would be possible to introduce such a change as part of the next scheduled software change. This release will also incorporate other changes and improvements suggested by customers, including the introduction of “add on” tickets, which will allow, for example, holders of Zone A & B season tickets to purchase a ticket to allow them to travel within Zone C for a day. This change is currently scheduled for November, 2015.
- 2.4. Rather than allow a two minute waiver, as requested by petitioners, it is considered that a three minute waiver would be more appropriate, to allow reasonable time for access to platforms for those with mobility problems.
- 2.5. By allowing Gold Card holders onto platforms from 09:27, it should be noted that it will not be possible to prevent cardholders starting journeys before the 09:30 threshold, should such an opportunity occur.

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

- 2.6. TWSC are asked to give guidance to Nexus on their preferred course of action.

3 Next Steps

- 3.1 If this change is approved, Nexus Officers will conduct the relevant tests to ensure that this change is incorporated within the planned software release.

4 Potential Impact on Objectives

- 4.1 By enabling easier access to Metro, this change will encourage increased usage of Public Transport.

5 Finance and Other Resources

- 5.1 By incorporating this change into a scheduled software release, the change can be accommodated within existing budgets.

6 Legal

- 6.1 There are no legal implications arising directly from this report.

7 Other Considerations

7.1 Consultation/Community Engagement

This is in response to a petition received by TWSC and seeks to address the concerns raised. Nexus has also separately discussed this issue with the Tyne & Wear Public Transport Users Group.

7.2 Human Rights

There are no Human Rights implications arising directly from this report

7.3 Equalities and Diversity

This change affects passengers entitled to concessionary travel who are older or disabled, a proportion of whom have limited mobility. By allowing time for passengers to get from validator to platform before 9:30 the change provides more equal access to all.

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

7.4 Risk Management

There are no Risk Management implications arising directly from this report.

7.5 Crime and Disorder

There are no Crime and Disorder implications arising directly from this report.

7.6 Environment and Sustainability

There are no Environment & Sustainability implications arising directly from this report.

8 Background Documents

- 8.1 Transport North East (Tyne & Wear) Sub-Committee meeting 9th July: Agenda item 6: "Petition: Use of a Travel Pass on Metro"

9 Links to the Local Transport Plans

- 9.1 There are no direct links to the Local Transport Plans.

10 Appendices

- 10.1 None.

11 Contact Officers

- 11.1 David Bartlett, Corporate Manager, Business Change & Technology,
david.bartlett@nexus.org.uk, 0191 203 3238

North East Combined Authority

Transport North East (Tyne and Wear) Sub-Committee

12 Sign off

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

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