

## **Transport North East (Tyne and Wear) Sub-Committee**

Thursday 19th April, 2018 at 3.00 pm

Meeting to be held at Sunderland Civic Centre, Burdon Rd, Sunderland SR2 7DN

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# AGENDA

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## 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. **Monitoring Nexus Performance**

**1 - 16**

4. **Metro Performance Update**

**17 - 30**

5. **Update on Nexus' Corporate Risks 2018/19**

**31 - 50**

6. **Tyne Tunnels Update**

**51 - 78**

7. **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.

8. **Confidential Minutes of the Previous Meeting held on 23 February 2018** 79 - 82
9. **Tyne Tunnels Update** 83 - 102
10. **Date and Time of Next Meeting**  
12 July 2018, 3.00pm at North Tyneside (tbc)

Contact Officer: Lynn Camsell Tel: 0191 211 6146 E-mail: [lynn.camsell@northeastca.gov.uk](mailto:lynn.camsell@northeastca.gov.uk)

**To All Members**



## Transport North East (Tyne and Wear) Sub-Committee

**Date:** 19 April 2018

**Subject:** Monitoring Nexus' Performance

**Report of:** Managing Director (Transport Operations)

### Executive Summary

With twelve of the thirteen four-week periods in the year completed, the report demonstrates that Nexus is on target to deliver the majority of objectives in the 2017/18 Corporate Plan.

Metro performance continues to show improvement on the prior year, despite some significant disruptions and continuing challenges of maintaining the ageing fleet.

Financially, Nexus is expecting to report a budget surplus of £2.591m, despite a reduction in Metro patronage and fare revenue.

Looking ahead we are planning for the busiest summer we have known for special events. These include the Tall Ships Races, Great Exhibition of the North, and pop concerts at Gateshead Stadium and St James Park, in addition to annual events the Great North Run and Sunderland International Airshow. Each event is individually planned with promoters/organisers and local authorities, with extra buses and trains - and crowd control at stations - provided up to the limit of power and signal systems across the network.

### 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 over the forty-eight weeks to 3 March 2018.

## 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 forty-eight weeks from 1 April 2017 to 3 March 2018, with particular emphasis on the twelve weeks from 10 December 2017 to 3 March 2018 (Periods 10, 11 & 12). The prior thirty-six weeks (Periods 1 to 9) have been covered in previous update reports.
- 1.2 The CBP for 2017/18 has three main themes and sixteen workstreams. These are used in the attached appendix to summarise the key considerations when gauging the progress being made, applying a Red/Amber/Green (RAG) status analysis.
- 1.3 Of the 16 workstreams:-
- Thirteen are rated 'Green' in status, three from six in Theme 1 - 'Deliver public transport today'; all six in Theme 2 - 'Prepare for the future', and all four in Theme 3 - 'Focus on organisational effectiveness'.
  - All three 'Amber' workstreams relate to Theme 1 - 'Deliver public transport today': 'Improve Metro performance', 'Embed new technology' and 'Deliver non-ARP capital projects'.
- 1.4 Metro's average punctuality over Periods 10, 11 & 12 was 83.68%, below the target of 87.2% but better than the average of 82.97% over the same periods in the prior year. In the year to 3 March periodic charter punctuality averaged 85.31%, nearly three percentage points better than the average of 82.43% to the same point last year.
- 1.5 At the end of P12 fleet reliability (km per 4+ Excess Headway Minute delay causing fault) the Moving Annual Average had improved by 2.3% to 6,755km compared to 6,602km last year. The total of Excess Headway Minutes (EHM, a means of measuring delay) at 274,233 by the end of Period 12 was 9% better than the 301,103 accumulated at the same point in the prior year.
- 1.6 Total Metro ridership for the twelve weeks to 3 March was 7.999m, 5.6% below the target of 8.477m. Cumulative ridership in the year to date was 33.489m, 4.3% below the target of 35.013m and 3.3% below the 34.648m reported at this point in the prior year.
- 1.7 Regarding Metro fare revenue, now that twelve periods have elapsed, it is evident that fare revenue will be lower than budget by the end of the financial year. As at 3 March the Metro fare revenue shortfall for 2017/18 is expected to be £1.2m below budget (set at £45.098m). This is equivalent to -2.7% variation from the base budget.

As at the end of period 12 in 2017/18, a revenue budget surplus of £2.591m is

## **Transport North East (Tyne and Wear) Sub-Committee**

1.8 forecast.

1.9 Appendix 1 provides a fuller review of Nexus' performance against the business plan over the period from 1 April 2017 to 3 March 2018.

1.10 Looking ahead we are planning for the busiest summer we have known for special events in which Metro, and wider public transport arrangements, will play a key supporting role. These include the Tall Ships Races, Great Exhibition of the North, and pop concerts at Gateshead Stadium and St James Park, in addition to annual events the Great North Run and Sunderland International Airshow. Each event is individually planned with promoters/organisers and local authorities, with extra trains - and crowd control at stations - provided up to the limit of power and signal systems across the network.

### **2. Proposals**

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

### **3. Reasons for the Proposals**

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

### **4. Alternative Options Available**

4.1 There are no proposals on which to base alternative options arising from this periodic performance monitoring update 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 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 Monitoring Nexus' performance 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**

## **Transport North East (Tyne and Wear) Sub-Committee**

- 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**

- 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' Senior Leadership Team in arriving at the ratings.

## Transport North East (Tyne and Wear) Sub-Committee

### 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](mailto: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 and the appendix.

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Theme 1: Deliver public transport today		
Workstream:	RAG Status	Key Considerations:
Improve Metro performance (Amber)	A	Metro punctuality averaged 83.68% over the twelve weeks ending 3 March, worse than the target of 87.2% but better than the 82.97% achieved over the same time period in 2016/17. In the year to 3 March periodic punctuality has averaged 85.31%, nearly three percentage points better than the 82.34% to the same point in the prior year.
		Peak fleet availability over the twelve weeks saw the service delivery requirement of 74 Metrocars being met on 27 (23.7%) of the 114 weekday morning & evening peaks.
		In the year to 3 March total Excess Headway Minutes (EHWM, a means of measuring train delay) was 274,233, 9% better than 301,103 at the same point in the prior year. The Moving Annual Average for fleet reliability (km per 4+ EHWM fault over 13 periods) had improved by 2.3% to 6,755km from 6,602km at the same point last year.
		The latest Metro customer satisfaction tracking survey, in November 2017, resulted in an overall score of 7.66, lower than the score of 7.78 in May 2017 and the score of 7.73 obtained in November 2016. A Metro improvement action plan, including staff training, is in place providing for a concerted effort to stabilise and then improve customer satisfaction. The next survey is in May 2018.
		Total Metro ridership for the twelve weeks to 3 March was 7.999m, 5.6% below the target of 8.477m. Cumulative ridership in the year to date was 33.489m, 4.3% below the target of 35.013m and 3.3% below the 34.648m reported at this point in the prior year.
Enhance local	G	In responding to public consultation on Rail North's draft Long Term Rail Strategy and Transport for the North's (TfN's) draft Strategic Transport Plan, NECA has compiled partner feedback to meet the deadline of 17 April.
		From 1 April 2018 TfN is the first statutory sub-national transport body. Rail North's transfer to TfN retains the North East Rail Management Unit (NERMU).
		Regarding proposals to upgrade the TransPennine Route, possible scenarios submitted to DfT by Network Rail include incorporating the HS2 link between Leeds and the East Coast Main Line. Cost estimates for the route between Manchester and York/Selby range between £2.7bn and

		<p>£4.7bn. NERMU is represented on the sub group formed to oversee the project and seek to maximise its benefits.</p>
		<p>Network Rail has produced a consultation draft 'East Coast Route Study' proposal, setting out potential interventions to accommodate predicted future passenger growth. A formal local response will be finalised for sign-off by the Chair and Vice Chairs of TNEC, and submitted in line with the required deadline.</p>
		<p>A report to TNEC on 8 February proposed the development of closer working with Network Rail through what has been termed a 'shared narrative'. Following endorsement from TNEC, and a meeting with Network Rail, an agreement is being drafted to enable a joined-up 'one team' approach to be taken in the development of future business cases for improvements to rail in the North East.</p>
Embed new technology (Amber)	A	<p>At 3 March over half (50.7%) of all purchases at Ticket Machines were being made using Credit and Debit cards. A cashless TVM trial is being carried out to test this option with customers. Three of the eight ticket machines at Central have been set up to only accept credit/debit card payments.</p>
		<p>Following the launch, on 2 January, of the Pop blue product for young people aged 18 and under, 1,593 of these cards have been issued to 3 March with 19,045 journeys having been made by 1,369 individual card holders and 56% of this usage reached or exceeded the £2 daily cap.</p>
		<p>A planned series of three upgrades to the ticketing and gating software has commenced, with the first releases having commenced acceptance testing at the end of February. Installation of new components (Bank Card Readers) to improve reliability and security is planned to start immediately following completion of the software upgrades in May.</p>
		<p>On-line revenue activity levels are being maintained, with 'all smart online revenue' having remained static over P11 &amp; P12. There has been an increase in PAYG revenue online and in online receipts as a percentage of all smart revenue</p>

Deliver the Metro Asset Renewal Plan (Green)	G	The Metro Asset Renewal Plan financial forecast for 2017/18 is £27.509m. The forecast will be managed within targets set by the Department for Transport (DfT).
		Refurbishment of five halt stations on the Airport line (Callerton, Bankfoot, Kingston Park, Fawdon and Wansbeck Road) is progressing with all painting, station furniture and lighting improvements installed. Completion of platform tactile installation is weather dependant.
		Station refurbishment at Monkseaton, West Monkseaton and Cullercoats is being progressed, commencing with damp remediation works at Cullercoats.
		Detailed design is complete for Shiremoor, Palmersville, Benton and Longbenton station refurbishments. It is planned to undertake this work in mid-2018.
		Remedial work to King Street Bridge, South Shields, is planned to commence in April 2018. Tenders have been returned and evaluation is underway for strengthening work to Burnside and Beach Road bridges in North Tyneside. This work is planned for delivery in early 2019.
		Severe weather conditions and heavy snow at the end of February/early March resulted in the cancellation of the planned 54hr possession on the weekend of 3 & 4 March. The intended works covered a number of projects and these are being rescheduled e.g. renewal of a critical switches and crossings unit at Manors has been provisionally rescheduled for 12 & 13 May.
		Design documentation for the renewal and refurbishment of track from Gateshead Stadium to South Shields station is being evaluated. Delivery options are being finalised to minimise service disruption.
		Installation of new on-train radio equipment started on 12 February. Unforeseen issues have resulted in slow initial progress and a recovery plan is being agreed – this includes utilisation of contingency weekend working to enable completion to programme.

		<p>Training, testing and monitoring continues for the Railway Traffic Management System. A revised programme is in place to align with the radio delivery programme, given the dependencies involved.</p>
		<p>Commissioning of live multifunctional relays in the power supply system continues with Sunday only commissioning to minimise operational risk.</p>
Deliver non-ARP capital projects (Amber)	A	<p>The Non Metro capital programme financial forecast for 2017/18 at 3 March was £2.487m. The forecast is therefore £1.012m below the approved budget of £3.499m, largely as a result of reduced Ticketing and Gating spend this year (£253k), reduced NESTI spending (£447k), reduced spending on PCI DSS (£188k) and reduced Ferry spending (£79k).</p>
Deliver and develop public (G)	G	<p>We are planning for the busiest summer we have known for special events, in which Metro and wider public transport will play a key role supporting. These include the Tall Ships Races, Great Exhibition of the North, and pop concerts at Gateshead Stadium and St James Park, in addition to annual events the Great North Run and Sunderland International Airshow. Each event is individually planned with promoters, organisers and local authorities, with extra trains - and crowd control at stations - provided up to the limit of power and signal systems across the network.</p>
		<p>Over the twelve weeks under review an average of 99.9% of contracted bus service mileage has been operated with 1.461m passenger journeys, better than the target of 1.400m. In the year to 3 March there have been 5.665m passenger journeys on secured services, 3.8% below the target of 5.890m.</p>
		<p>Punctuality on the Shields Ferry has consistently been better than the 99% target, but a week of adverse weather conditions in P12 meant that reliability over the twelve weeks under review averaged 98.5%, very slightly below the 99% target. This performance has helped support a customer satisfaction score of 9.4, bettering the 9.0 target.</p>

		<p>The cross-Tyne Ferry service recorded 398,985 boardings in the year to 3 March, 4.9% below the cumulative target of 419,703 and 2.8% below the 410,500 recorded at the same point last year. Over the twelve weeks under review boardings of 64,829 were 8.4% below the target of 70,798 and 11.1% below the 72,946 boardings in the prior year.</p>
		<p>The Pride of the Tyne was in dry dock at the beginning of February, with no issues identified in the annual survey. The Spirit is being prepared for its annual survey with an estimated down time of 6 weeks to allow for overhaul of both Voith propulsion units. A new anti-fouling system is to be tested over the coming year: test patches are being put on both vessels to assess performance.</p>
		<p>The bulk processing and issue of 107k English National Concessionary Travel Scheme permits expiring at the end of March, April and May was completed on 8 March, ahead of schedule. A small secondary batch of cards for customers who had not used the card in 2017, but requested a new one, has also been completed.</p>
		<p>Nexus' bus station operations were managed successfully with no closures or significant issues during the heavy snow over late February and early March. Over the same period there was a peak in the use of Nexus' digital data channels with customers seeking public transport service information.</p>

Theme 2: Prepare for the future		
Workstream:	RAG Status	Key Considerations:
Obtain a new Fleet and prepare for the new Metro contract (Green)	G	Approval to commence procurement was confirmed by the Leadership Board on 16 January 2018. A Periodic Indicative Notice was placed in the Official Journal of the European Union (OJEU) on 25 January 2018. The next stage, including publication of the OJEU Contract Notice and issue of Pre-Qualification Questionnaires (PQQs), will commence in late-May 2018. Analysis of returned PQQs will be completed by August 2018 when an Invitation to Negotiate will be issued to shortlisted bidders to submit tenders in January 2019.
Secure long term improvements to Metro's infrastructure (Green)	G	Approval for funding to support operations and to continue investment across the Metro network will be sought from DfT's Board Investment Committee during 2018. DfT's clarification of the appropriate approvals route to be followed is awaited.
Plan for the expansion of Metro and local rail networks (Green)	G	Progress is being made on various studies into the potential for route extensions e.g. financial, economic and land value capture. Metro Futures and Extensions will be represented at the North East Expo and the Great Exhibition of the North.
		Plans for future housing development could potentially provide a catalyst and funding for new stations on the existing network. A desktop analysis is underway to examine and develop future station requirements.
		With regard to the potential for improving network resilience and capacity, DfT's submission deadline to bid for funding such a project is likely to be December 2018, with a decision in spring 2019. A project board is being established and will include officers from NECA and Network Rail. Meanwhile engagement with key stakeholders is progressing.

<b>Plan for local bus service improvements (Green)</b>	<b>G</b>	<p>Nexus is working with local partners to develop a Bus Strategy for the NECA area. Topic groups, with officer representation across the LA7 and the bus companies, have produced content to feed into the draft strategy. It is intended that a final draft strategy will be prepared for consideration, prior to public consultation, at the same time as the Transport Plan.</p>
		<p>A preliminary review has taken place to understand the potential impacts, positive and negative, of 'New Mobility Services' such as on-demand transport links (which in time could be delivered by autonomous vehicles), travel and ticketing aggregator apps and zero emission vehicles. Consideration is being given to the practical ways such innovations could be delivered in the NECA area, to both benefit passengers and minimise risks to existing transport services.</p>
		<p>The Bus Services Act 2017 made provision for open data in relation to bus services covering timetables, fares and real-time information on a single platform that web developers can use. Nexus and Urban Transport Group are represented on a DfT working group examining the rollout of this element of the Act, and also a national bus operator-led group.</p>
<b>Innovate through technology (Green)</b>	<b>G</b>	<p>Working with TfN and partner authorities a specification for an Account Based Ticketing (ABT) Back Office is being developed. This will allow 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. The intention is to have a partnership with the major bus operators, with each participating operator (including Nexus, for Tyne and Wear Metro) to sign "Heads of Terms", indicating support of the project.</p>
		<p>Nexus continues to be involved in plans to develop a test bed and series of trials for 5G Technologies across the North East. This is one of a number of projects around the NECA area seeking Nexus' support to improve Digital Connectivity across the region, recognising the importance of the Metro routes. We are continuing to engage with all relevant stakeholders to develop a plan that can best support these projects whilst improving our customers experience and ensuring value for money.</p>
		<p>Nexus is supporting ITSO (the National Standards body for Smart Ticketing) in a Host Card Emulation (your smart phone becomes your Pop Card) trial on Tyne and</p>



		Wear Metro. Following a successful “Proof of Concept” test on Nexus’ system, a competition is now being run, through Digital Catapult North East & Tees Valley, to identify an innovative App Developer who can embed this functionality into a wider Transport App. Although this is an open competition, it has attracted particular interest from local developers, with 14 organisations attending a joint Nexus/ITSO briefing. Two bidders have been shortlisted and will be required to develop a “minimum viable proposition” ready to commence Beta-Testing within eight weeks.
Secure investment in public transport assets (Green)	G	The Sunderland Station project aims to deliver improvements to the main above ground southern concourse area focusing on access, the retail offering and passenger information. Sunderland City Council is leading this project, working with Network Rail, Northern Rail and Nexus. Currently there is a funding gap of £6.1m, but partners are optimistic that imminent funding opportunities (e.g. through DfT’s Transforming Cities Fund) will close this.
		Intrusive surveys have raised no major concerns over the integral structure of the station or regeneration of the site. Further work is being undertaken to develop the design. Regular board meetings are being held to

Theme 3: Focus on organisational effectiveness		
Workstream:	RAG Status	Key Considerations:
Refine training and succession planning (Green)	G	Candidates from both Nexus and NEMOL are included in the current phase of Nexus’ Frontline Leadership Programme.
		The approach to succession planning will be standardised across Nexus’ group for 2018/19.
		Proposals have been formulated to make appropriate use of the new funding system associated with the government’s Apprenticeship Levy in 2018/19.



<b>Ensure Nexus is an employer of choice (Green)</b>	<b>G</b>	Terms and Conditions of Employment for APT&C staff have been updated and agreed.
<b>Focus on health, safety and the environment (Green)</b>	<b>G</b>	As at 3 March, Nexus had experienced a continuous period of 79 RIDDOR (regulations relating to formal notification of accidents and incidents) free days, following retrospective re-classification of a staff accident in P10.
		In the year to 3 March there have been 28 non-RIDDOR accidents to Nexus staff (26 non-Lost Time; 2 Lost Time).
		At the end of P12 the score for Nexus' Accident Frequency Rate (calculated over 13 periods) remains low at 0.19.
		The 'Close Call' reporting system had received 90 submissions in the year to 3 March, providing potentially valuable learning opportunities.
		There have been in total 59 accidents involving customers on Nexus' infrastructure (2: Ferry, 57: Bus/Other) to the end of P12: slips, trips & falls are the most common type.
<b>Service review to balancing the budget (Green)</b>	<b>G</b>	During P13 planned Safety Stand Down events for all Nexus and Metro Services' employees will increase awareness of safe practices in the work environment. The content highlights the importance of non-technical skills, reinforces accident prevention techniques and promotes consideration of personal health and welfare matters.
		At the end of P12 the Metro fare revenue shortfall for 2017/18 is expected to be £1.2m below budget (set at £45.098m). This is equivalent to -2.7% variation from the base budget.  As at 3 March 2018, a surplus of £2.591m is forecast against the revised budgeted for deficit of £0.106m in 2017/18.

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## **Transport North East (Tyne and Wear) Sub-Committee**

**Date:** 19 April 2018

**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 the twelve weeks from 10 December 2017 to 3 March 2018 (Periods 10, 11 & 12 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 10 December 2017 to 3 March 2018 (Periods 10, 11 and 12 2017/18). Appendix 1 contains detailed commentary against the performance measures.
- 1.5 Now that nearly a whole year has elapsed, operational performance trends are showing an improved and encouraging picture compared with 2016/17:
  - Charter Punctuality is 2.97 percentage points better, running at 85.31% compared with 82.34% at the same time last year.
  - Total Excess Headway Minutes have improved by 9%.
  - Fleet reliability (km per 4+ Excess Headway Minute fault) Moving Annual Average has improved by 2.3%.This improvement comes despite ‘one-off’ factors such as the severe weather which had a significant impact on performance during Period 12

### **2. Proposals**

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

### **3. Reasons for the Proposals**

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

### **4. Alternative Options Available**

## **Transport North East (Tyne and Wear) Sub-Committee**

- 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 in July 2018 (currently scheduled for the 12th of that month). The July meeting will receive an update on the first two periods in 18/19 together with some a general summary of overall performance in 2017/18.

### **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.

### **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**

## **Transport North East (Tyne and Wear) Sub-Committee**

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)  
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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

### Periods 10, 11 & 12 2017/18

(10 December 2017 to 3 March 2018)

Punctuality: **83.7%**  
83.0% Last year

Customer  
Satisfaction: **7.7 / 10** November 2017  
7.8 / 10 May 2017  
7.7 / 10 November 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.

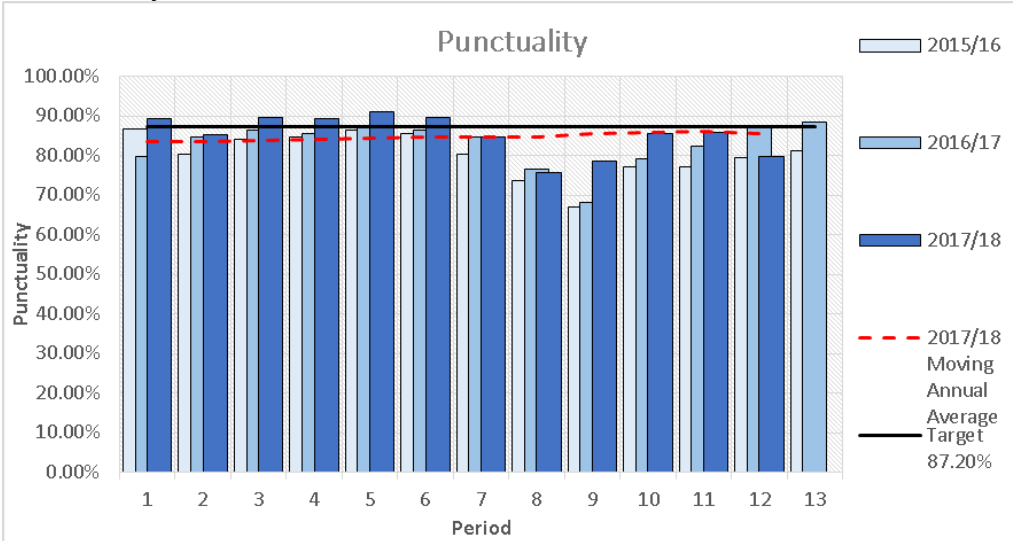
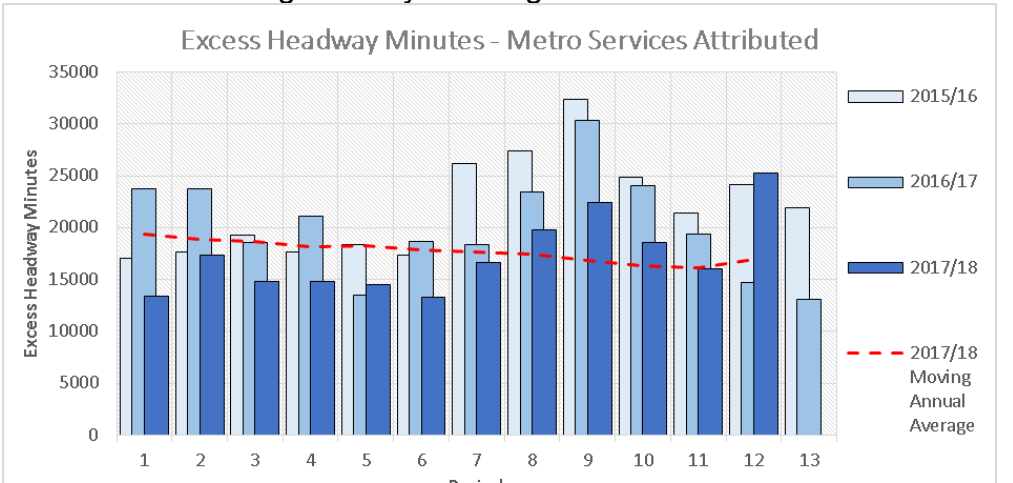
**Punctuality** – measurement of train punctuality as set out in the Metro Passenger Charter; measures the percentage of trains arriving within three minutes later or within 29 seconds earlier than scheduled.

**RIDDOR** – Reporting of Injuries, Diseases and Dangerous Occurrences Regulations – legislation which puts duties on employers, the self-employed and people in control of work premises to report certain serious workplace accidents, operational diseases and specified dangerous occurrences (near misses) to the Health and Safety Executive

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



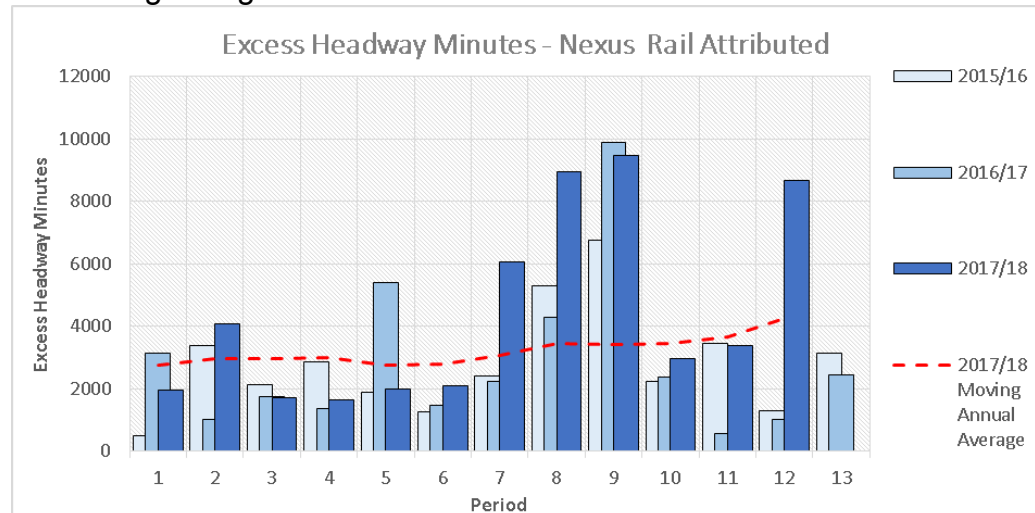
## Transport North East (Tyne and Wear) Sub-Committee

Operational performance																																																									
Indicator:	Performance and Key Considerations:																																																								
Punctuality	<p>During the three periods leading up to 3 March a punctuality figure of 83.7% was achieved by Metro compared to 83.0% over the same twelve weeks last year, 0.7 percentage points better. The main impact on punctuality was the severe weather experienced at the end of February and beginning of March, at the end of Period 12. Metro continued to run throughout the severe weather, but a combination of train faults and points failures resulted in reduced punctuality for several days.</p> <div><p>Punctuality</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>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>2</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>3</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>4</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>5</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>6</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>7</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>8</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>9</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>10</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>11</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr><tr><td>12</td><td>84.0%</td><td>86.0%</td><td>87.0%</td></tr><tr><td>13</td><td>85.0%</td><td>88.0%</td><td>89.0%</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	85.0%	88.0%	89.0%	2	84.0%	86.0%	87.0%	3	85.0%	88.0%	89.0%	4	84.0%	86.0%	87.0%	5	85.0%	88.0%	89.0%	6	84.0%	86.0%	87.0%	7	85.0%	88.0%	89.0%	8	84.0%	86.0%	87.0%	9	85.0%	88.0%	89.0%	10	84.0%	86.0%	87.0%	11	85.0%	88.0%	89.0%	12	84.0%	86.0%	87.0%	13	85.0%	88.0%	89.0%
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Excess Headway Minutes (Metro Services)	<p>Just under 20,000 EHM per four-week period was allocated to the Operator over the twelve weeks under review. The increase seen during Period 12 is due to the severe weather which resulted in a high number of train faults. Faults were repaired to allow a normal service to resume the following Monday morning.</p> <div><p>Excess Headway Minutes - Metro Services Attributed</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>17,000</td><td>23,000</td><td>13,000</td></tr><tr><td>2</td><td>18,000</td><td>23,000</td><td>17,000</td></tr><tr><td>3</td><td>19,000</td><td>18,000</td><td>15,000</td></tr><tr><td>4</td><td>18,000</td><td>21,000</td><td>15,000</td></tr><tr><td>5</td><td>17,000</td><td>18,000</td><td>14,000</td></tr><tr><td>6</td><td>18,000</td><td>18,000</td><td>13,000</td></tr><tr><td>7</td><td>26,000</td><td>18,000</td><td>17,000</td></tr><tr><td>8</td><td>27,000</td><td>23,000</td><td>20,000</td></tr><tr><td>9</td><td>32,000</td><td>30,000</td><td>22,000</td></tr><tr><td>10</td><td>25,000</td><td>24,000</td><td>18,000</td></tr><tr><td>11</td><td>21,000</td><td>19,000</td><td>16,000</td></tr><tr><td>12</td><td>24,000</td><td>25,000</td><td>25,000</td></tr><tr><td>13</td><td>22,000</td><td>13,000</td><td>13,000</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	17,000	23,000	13,000	2	18,000	23,000	17,000	3	19,000	18,000	15,000	4	18,000	21,000	15,000	5	17,000	18,000	14,000	6	18,000	18,000	13,000	7	26,000	18,000	17,000	8	27,000	23,000	20,000	9	32,000	30,000	22,000	10	25,000	24,000	18,000	11	21,000	19,000	16,000	12	24,000	25,000	25,000	13	22,000	13,000	13,000
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## Transport North East (Tyne and Wear) Sub-Committee

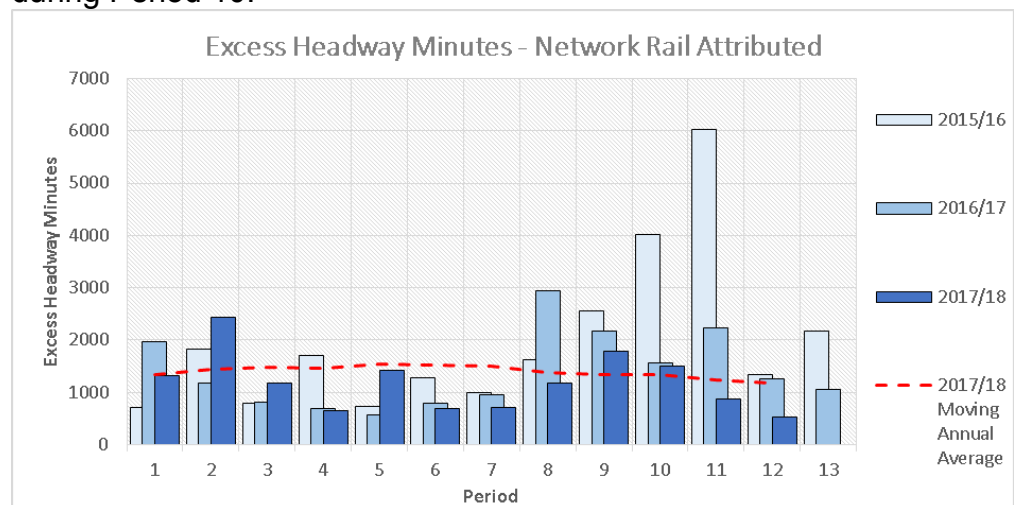
### Excess Headway Minutes (Nexus Rail)

An average of just under 5,000 EHM per four-week period was allocated to Nexus Rail; this is an improvement when compared with the previous three periods but higher than would normally be expected. As with Metro Services EHM during Period 12, the severe weather experienced accounted for the increase seen here with points failures across the Metro system. Issues experience during Periods 10 and 11 include signalling and overhead line faults.

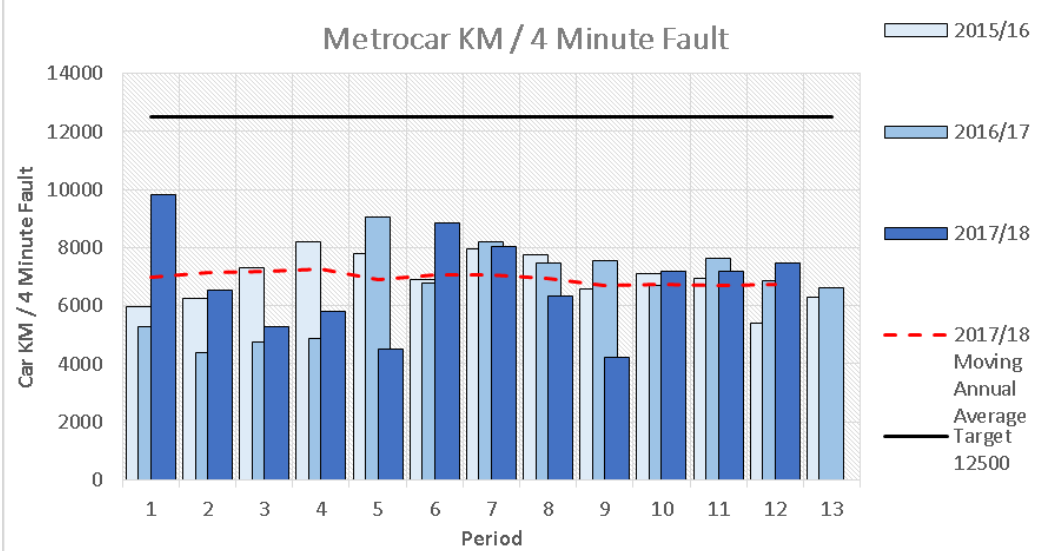
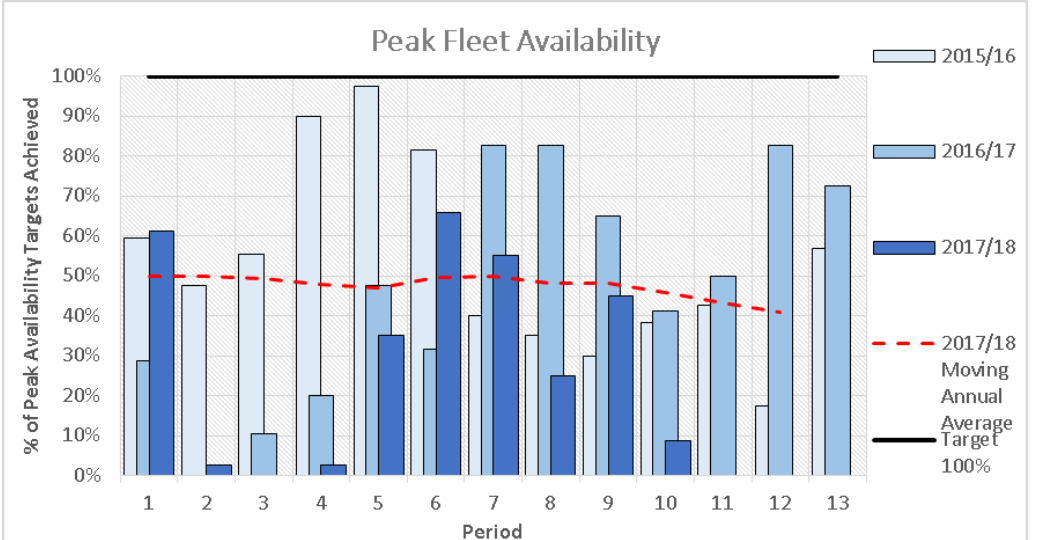


### Excess Headway Minutes (Network Rail)

An average of just under 1,000 EHM per four-week period were allocated to Network Rail, this is an improvement of over 200 EHM per four-week period when compared with the previous three periods and an improvement of over 700 EHM per four-week period when compared with the same time last year. A signalling fault on 10 December 2017 accounted for the higher than normal EHM levels during Period 10.



## Transport North East (Tyne and Wear) Sub-Committee

Fleet performance																																																									
Indicator:	Performance and Key Considerations:																																																								
Metrocar kilometres per 4+ Excess Headway Minute fault	<p>Performance was an average of 7,275km per fault in the twelve weeks to 3 March. This is better than the previous twelve weeks which saw the average at 6,197km per fault, and better than the same twelve weeks last year.</p> <div><p>Metrocar KM / 4 Minute Fault</p><table><caption>Metrocar KM / 4 Minute Fault 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>6000</td><td>5500</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>5200</td></tr><tr><td>4</td><td>8200</td><td>4800</td><td>5800</td></tr><tr><td>5</td><td>7800</td><td>9000</td><td>4500</td></tr><tr><td>6</td><td>6800</td><td>8800</td><td>8800</td></tr><tr><td>7</td><td>8000</td><td>8200</td><td>8000</td></tr><tr><td>8</td><td>7800</td><td>7500</td><td>6200</td></tr><tr><td>9</td><td>7200</td><td>7000</td><td>4200</td></tr><tr><td>10</td><td>7000</td><td>7000</td><td>7000</td></tr><tr><td>11</td><td>7500</td><td>7200</td><td>7000</td></tr><tr><td>12</td><td>5500</td><td>7200</td><td>7500</td></tr><tr><td>13</td><td>6200</td><td>6500</td><td>6500</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	6000	5500	9800	2	6200	4500	6500	3	7200	4800	5200	4	8200	4800	5800	5	7800	9000	4500	6	6800	8800	8800	7	8000	8200	8000	8	7800	7500	6200	9	7200	7000	4200	10	7000	7000	7000	11	7500	7200	7000	12	5500	7200	7500	13	6200	6500	6500
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Peak fleet availability	<p>Peak fleet availability in the twelve weeks ending 3 March saw the full peak fleet availability requirement being met on 3% (3/114) of the weekday morning and evening peaks. Availability has been affected mainly due to a problem with the overhaul of components by an external supplier, which led to several Metrocars being stopped awaiting overhauled components. Whilst the issue was resolved, the backlog of work has affected availability.</p> <div><p>Peak Fleet Availability</p><table><caption>Peak Fleet Availability 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>60%</td><td>28%</td><td>62%</td></tr><tr><td>2</td><td>48%</td><td>10%</td><td>2%</td></tr><tr><td>3</td><td>55%</td><td>10%</td><td>10%</td></tr><tr><td>4</td><td>90%</td><td>20%</td><td>2%</td></tr><tr><td>5</td><td>98%</td><td>45%</td><td>35%</td></tr><tr><td>6</td><td>82%</td><td>32%</td><td>65%</td></tr><tr><td>7</td><td>82%</td><td>40%</td><td>55%</td></tr><tr><td>8</td><td>82%</td><td>35%</td><td>25%</td></tr><tr><td>9</td><td>65%</td><td>30%</td><td>45%</td></tr><tr><td>10</td><td>40%</td><td>40%</td><td>8%</td></tr><tr><td>11</td><td>42%</td><td>50%</td><td>48%</td></tr><tr><td>12</td><td>18%</td><td>82%</td><td>82%</td></tr><tr><td>13</td><td>58%</td><td>72%</td><td>72%</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	60%	28%	62%	2	48%	10%	2%	3	55%	10%	10%	4	90%	20%	2%	5	98%	45%	35%	6	82%	32%	65%	7	82%	40%	55%	8	82%	35%	25%	9	65%	30%	45%	10	40%	40%	8%	11	42%	50%	48%	12	18%	82%	82%	13	58%	72%	72%
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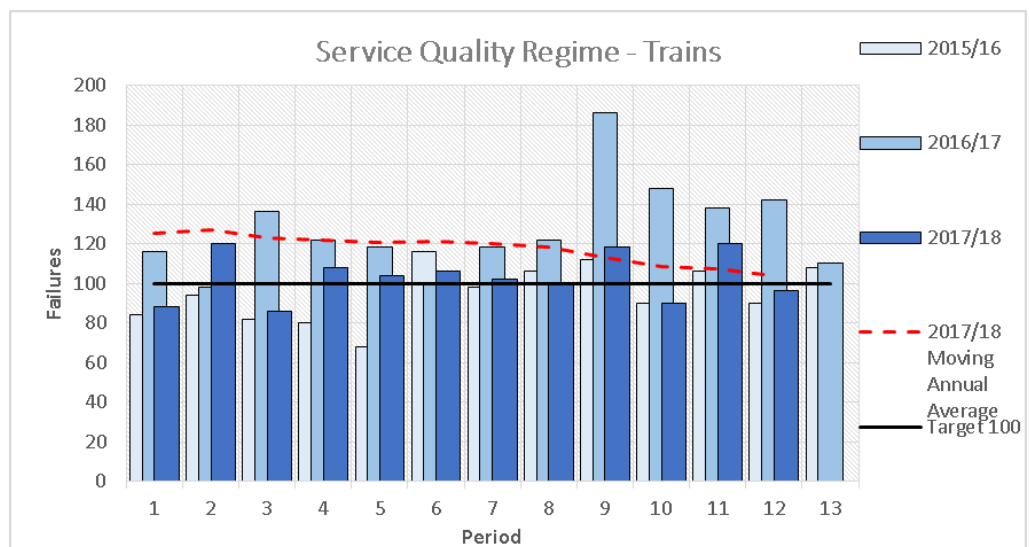
## Transport North East (Tyne and Wear) Sub-Committee

Customer experience																																																									
Indicator:	Performance and Key Considerations:																																																								
Customer Satisfaction Survey	<p>The November 2017 Metro Customer Satisfaction Survey (CSS) score fell slightly to 7.7, remaining short of the 8.3 target. Despite this headline reduction some areas show encouraging results especially where specific actions have been undertaken.</p> <div><p>Customer Satisfaction Survey - Overall Satisfaction</p><table border="1"><thead><tr><th>Year</th><th>May</th><th>Nov</th></tr></thead><tbody><tr><td>2010</td><td>7.9</td><td>8.0</td></tr><tr><td>2011</td><td>8.0</td><td>8.0</td></tr><tr><td>2012</td><td>8.0</td><td>7.8</td></tr><tr><td>2013</td><td>8.1</td><td>7.7</td></tr><tr><td>2014</td><td>8.0</td><td>7.6</td></tr><tr><td>2015</td><td>7.8</td><td>7.6</td></tr><tr><td>2016</td><td>7.4</td><td>7.7</td></tr><tr><td>2017</td><td>7.8</td><td>7.7</td></tr></tbody></table></div>	Year	May	Nov	2010	7.9	8.0	2011	8.0	8.0	2012	8.0	7.8	2013	8.1	7.7	2014	8.0	7.6	2015	7.8	7.6	2016	7.4	7.7	2017	7.8	7.7																													
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Service Quality Regime – Stations	<p>An average of 51 fails were recorded per 4-week period, in the twelve weeks to 3 March. This is an improvement on the previous twelve weeks which saw an average of 59 fails per 4-week period and better than the same twelve weeks last year. Performance has improved, primarily due to reduced levels of graffiti, as a result of resources being directed to identify and then remove graffiti as quickly as possible.</p> <div><p>Service Quality Regime - Stations</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>65</td><td>48</td><td>55</td></tr><tr><td>2</td><td>60</td><td>46</td><td>64</td></tr><tr><td>3</td><td>60</td><td>58</td><td>54</td></tr><tr><td>4</td><td>83</td><td>51</td><td>60</td></tr><tr><td>5</td><td>72</td><td>58</td><td>66</td></tr><tr><td>6</td><td>76</td><td>58</td><td>58</td></tr><tr><td>7</td><td>76</td><td>58</td><td>60</td></tr><tr><td>8</td><td>58</td><td>46</td><td>61</td></tr><tr><td>9</td><td>65</td><td>50</td><td>54</td></tr><tr><td>10</td><td>68</td><td>52</td><td>51</td></tr><tr><td>11</td><td>72</td><td>48</td><td>51</td></tr><tr><td>12</td><td>66</td><td>52</td><td>51</td></tr><tr><td>13</td><td>66</td><td>52</td><td>51</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	1	65	48	55	2	60	46	64	3	60	58	54	4	83	51	60	5	72	58	66	6	76	58	58	7	76	58	60	8	58	46	61	9	65	50	54	10	68	52	51	11	72	48	51	12	66	52	51	13	66	52	51
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## Transport North East (Tyne and Wear) Sub-Committee

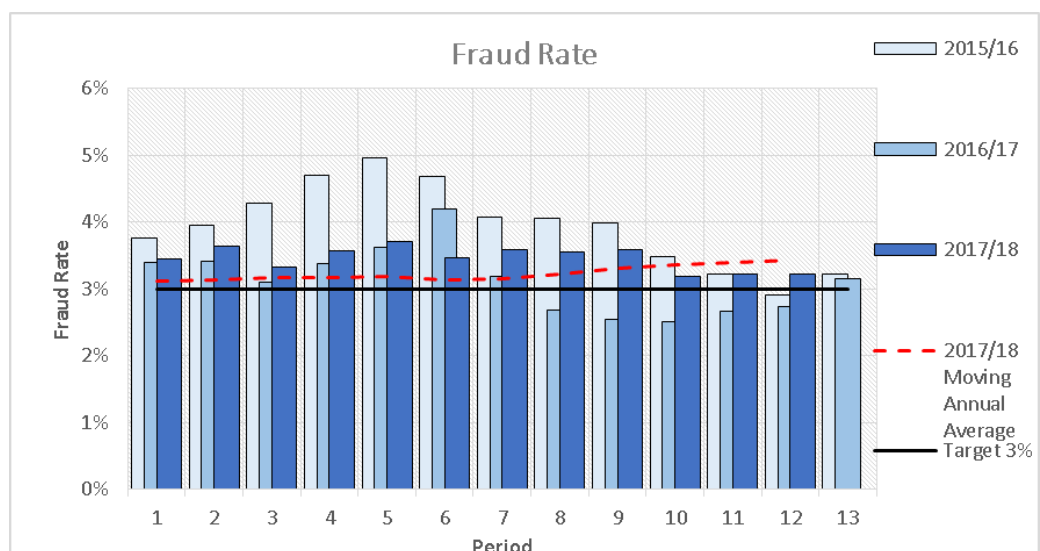
### Service Quality Regime – Metrocars

An average of 102 fails per 4-week period were recorded in the twelve weeks to 3 March. This is better than the 109 fails per 4-week period recorded in the previous twelve weeks and an improvement compared with the same twelve weeks last year. Unlike Stations, there is no dominant indicator making up the failures so the focus remains on ensuring issues are identified and addressed quickly.



### Fraud rate

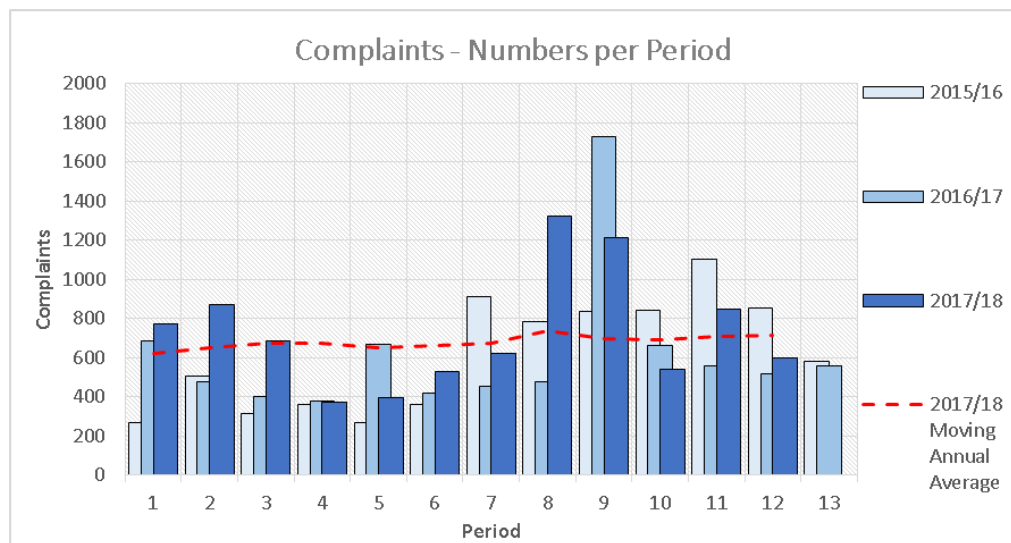
The fraud rate was an average of 3.21% over the twelve weeks to 9 December. This is only an improvement of 0.36 percentage points from the previous eight weeks, but worse than the same twelve weeks last year, which had a fraud rate of 2.63%. Actions have been put in place to reduce the fraud rate, including more of a focus on 'roving' revenue protection.



## Transport North East (Tyne and Wear) Sub-Committee

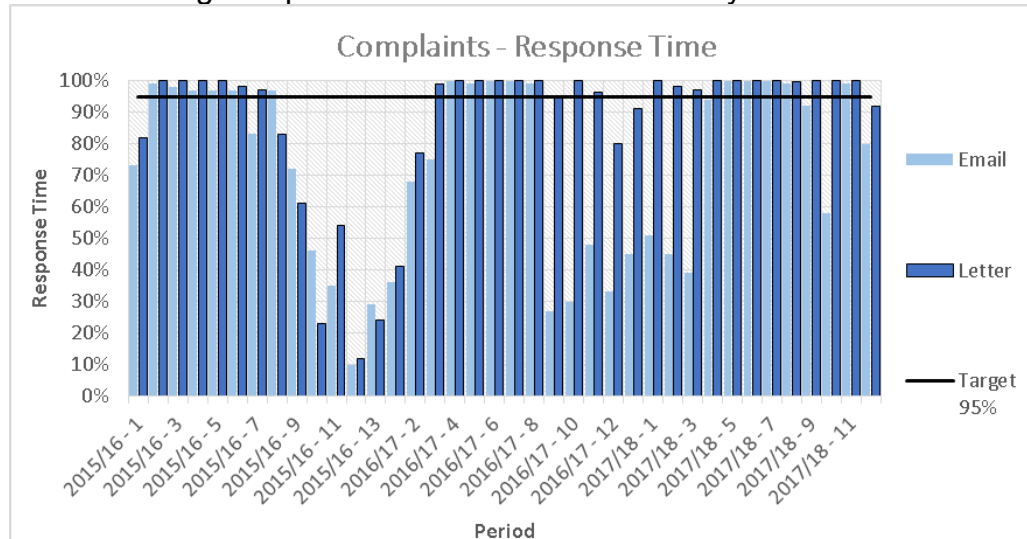
### Complaints numbers

Complaints numbers fell over the twelve weeks to 3 March, with an average of 661 per 4-week period. The higher levels experienced in Period 11 were mainly due to three disruptions which resulted in service suspensions early in the period.



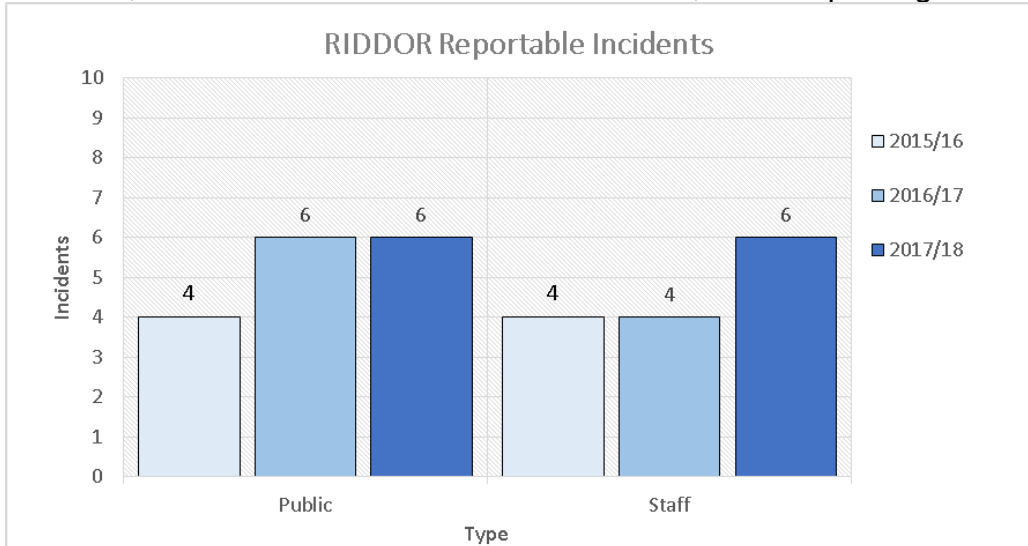
### Complaints response time

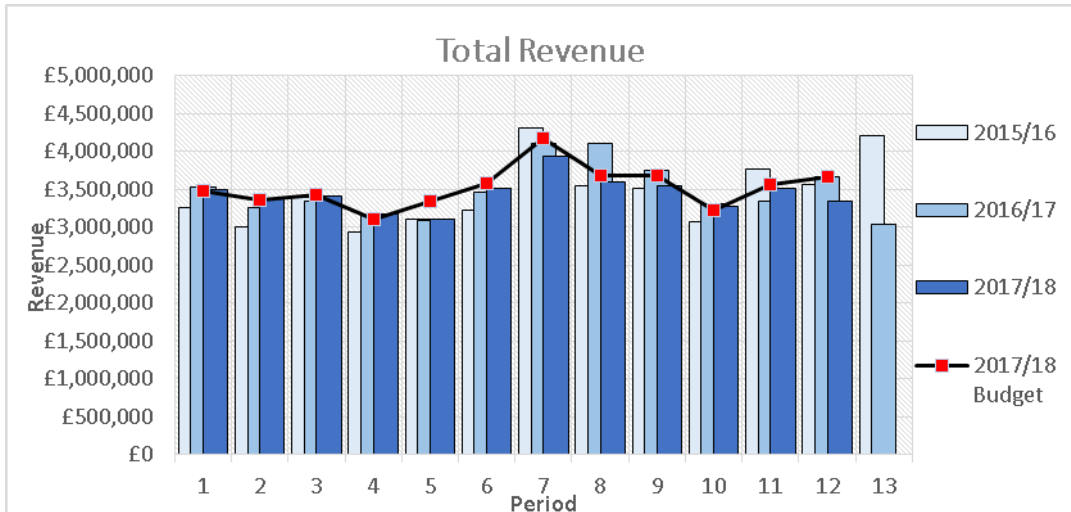
The high number of complaints in Periods 8 and 9 impacted on email response rate times in Period 10, but the average response time for emails was 5 days. This was quickly recovered during Periods 10 and 11 and has reversed the trend from previous years, where an increase in complaints resulted in targets being missed by a large margin and recovery taking several periods. Performance then fell during Period 12 but the average response time for emails was 4 days.





## Transport North East (Tyne and Wear) Sub-Committee

Safety													
Indicator:	Performance and Key Considerations:												
Number of accidents	<p>There have been six staff RIDDOR reportable accidents in 2017/18 to date and six public RIDDOR reportable accidents. The majority of the public RIDDOR reportable accidents relate to falls on escalators, with staff RIDDOR reportable accidents being varied. Other accident statistics, such as number of escalator accidents, show improving trends.</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>6</td></tr><tr><td>Staff</td><td>4</td><td>4</td><td>6</td></tr></tbody></table></div>	Type	2015/16	2016/17	2017/18	Public	4	6	6	Staff	4	4	6
Type	2015/16	2016/17	2017/18										
Public	4	6	6										
Staff	4	4	6										

Farebox																																																																							
Indicator:	Performance and Key Considerations:																																																																						
Total Farebox revenue	<p>As at Period 12 the Metro fare revenue shortfall for 2017/18 is expected to be £1.2m below budget (set at £45.098m). This is equivalent to -2.7% variation from the base budget.</p> <div><p>Total Revenue</p><table><caption>Total Revenue (Estimated)</caption><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>£3,400,000</td><td>£3,400,000</td><td>£3,400,000</td></tr><tr><td>2</td><td>£3,000,000</td><td>£3,300,000</td><td>£3,300,000</td><td>£3,300,000</td></tr><tr><td>3</td><td>£3,300,000</td><td>£3,400,000</td><td>£3,400,000</td><td>£3,400,000</td></tr><tr><td>4</td><td>£2,900,000</td><td>£3,100,000</td><td>£3,100,000</td><td>£3,100,000</td></tr><tr><td>5</td><td>£3,100,000</td><td>£3,200,000</td><td>£3,200,000</td><td>£3,200,000</td></tr><tr><td>6</td><td>£3,300,000</td><td>£3,500,000</td><td>£3,500,000</td><td>£3,500,000</td></tr><tr><td>7</td><td>£4,200,000</td><td>£4,100,000</td><td>£4,000,000</td><td>£4,200,000</td></tr><tr><td>8</td><td>£3,800,000</td><td>£4,100,000</td><td>£3,600,000</td><td>£3,700,000</td></tr><tr><td>9</td><td>£3,500,000</td><td>£3,600,000</td><td>£3,500,000</td><td>£3,600,000</td></tr><tr><td>10</td><td>£3,100,000</td><td>£3,200,000</td><td>£3,100,000</td><td>£3,200,000</td></tr><tr><td>11</td><td>£3,600,000</td><td>£3,500,000</td><td>£3,400,000</td><td>£3,500,000</td></tr><tr><td>12</td><td>£3,500,000</td><td>£3,400,000</td><td>£3,300,000</td><td>£3,400,000</td></tr><tr><td>13</td><td>£4,200,000</td><td>£3,100,000</td><td>-</td><td>-</td></tr></tbody></table></div>	Period	2015/16	2016/17	2017/18	2017/18 Budget	1	£3,200,000	£3,400,000	£3,400,000	£3,400,000	2	£3,000,000	£3,300,000	£3,300,000	£3,300,000	3	£3,300,000	£3,400,000	£3,400,000	£3,400,000	4	£2,900,000	£3,100,000	£3,100,000	£3,100,000	5	£3,100,000	£3,200,000	£3,200,000	£3,200,000	6	£3,300,000	£3,500,000	£3,500,000	£3,500,000	7	£4,200,000	£4,100,000	£4,000,000	£4,200,000	8	£3,800,000	£4,100,000	£3,600,000	£3,700,000	9	£3,500,000	£3,600,000	£3,500,000	£3,600,000	10	£3,100,000	£3,200,000	£3,100,000	£3,200,000	11	£3,600,000	£3,500,000	£3,400,000	£3,500,000	12	£3,500,000	£3,400,000	£3,300,000	£3,400,000	13	£4,200,000	£3,100,000	-	-
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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 12 stands at 33.49m v target of 35.01m (-4.4%). This position is reflective of the farebox revenue. The 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>2,700,000</td><td>2,800,000</td></tr><tr><td>4</td><td>3,100,000</td><td>2,800,000</td><td>2,800,000</td><td>3,000,000</td></tr><tr><td>5</td><td>2,900,000</td><td>2,700,000</td><td>2,700,000</td><td>2,800,000</td></tr><tr><td>6</td><td>3,100,000</td><td>2,800,000</td><td>2,800,000</td><td>2,900,000</td></tr><tr><td>7</td><td>3,400,000</td><td>2,900,000</td><td>2,900,000</td><td>3,000,000</td></tr><tr><td>8</td><td>3,200,000</td><td>2,800,000</td><td>2,800,000</td><td>3,100,000</td></tr><tr><td>9</td><td>3,300,000</td><td>3,100,000</td><td>3,100,000</td><td>3,200,000</td></tr><tr><td>10</td><td>2,900,000</td><td>2,700,000</td><td>2,700,000</td><td>2,900,000</td></tr><tr><td>11</td><td>3,000,000</td><td>2,700,000</td><td>2,700,000</td><td>2,800,000</td></tr><tr><td>12</td><td>3,100,000</td><td>2,700,000</td><td>2,700,000</td><td>2,900,000</td></tr><tr><td>13</td><td>3,000,000</td><td>3,000,000</td><td>-</td><td>-</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	2,800,000	4	3,100,000	2,800,000	2,800,000	3,000,000	5	2,900,000	2,700,000	2,700,000	2,800,000	6	3,100,000	2,800,000	2,800,000	2,900,000	7	3,400,000	2,900,000	2,900,000	3,000,000	8	3,200,000	2,800,000	2,800,000	3,100,000	9	3,300,000	3,100,000	3,100,000	3,200,000	10	2,900,000	2,700,000	2,700,000	2,900,000	11	3,000,000	2,700,000	2,700,000	2,800,000	12	3,100,000	2,700,000	2,700,000	2,900,000	13	3,000,000	3,000,000	-	-
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## Transport North East (Tyne and Wear) Sub-Committee

**Date:** 19 April 2018

**Subject:** Nexus' Corporate Risk Register 2018/19

**Report of:** Managing Director (Transport Operations)

### Executive Summary

The report introduces Nexus' Corporate Risk Register for 2018/19, based on the approved Corporate Plan, in order to advise and seek comment from the Sub-Committee in the matter.

### Recommendations

The Transport North East (Tyne and Wear) Sub-Committee is recommended to receive and note Nexus' Corporate Risk Register for 2018/19.

## Transport North East (Tyne and Wear) Sub-Committee

### 1. Background Information

- 1.1 Nexus defines its corporate risks as those matters which, if the risk occurred, could have adverse consequences for the achievement of its Corporate Plan (CP). The CP for 2018/19 to 2020/21 was approved by the Sub-Committee at its meeting on 25 January 2018.

### 2. Proposals

- 2.1 The Register for 2018/19 has twelve Corporate Risks, nine of which effectively 'roll over' with three risks added to reflect new and emerging priorities within the CP (these are highlighted in bold below):

- i. That a catastrophic safety related event may occur on the Metro,
- ii. That Metro performance deteriorates,
- iii. **That the opportunities presented by new fares offer for under-19s are not fully utilised due to a lack of awareness,**
- iv. That technology based customer facing ticketing and passenger information improvements do not meet stakeholder expectations,
- v. **That the procurement of a new fleet of trains and their ongoing maintenance requirements is not affordable or is unduly delayed,**
- vi. That there are no long term funding arrangements in place to sustain Metro's current operations, replace life expired capital assets and allow future expansion,
- vii. That aspirations for heavy rail improvements are not met,
- viii. That plans to expand Metro and local rail services do not progress,
- ix. **That plans to improve the local bus network are compromised or unduly delayed,**
- x. That protecting frontline services whilst delivering a balanced budget is not achievable,
- xi. That the planned Asset Renewal Programme, to modernise the Metro, and other key capital projects, is not delivered efficiently to time/cost/quality requirements, and
- xii. That changes in local political governance structures for transport do not provide Nexus with the ability to adequately exercise its functions, duties and powers.

- 2.2 The following table identifies each of the twelve risks in turn, links to the themes in Nexus' CP for 2018/19, the current RAG status and the direction of travel where applicable (comparing the current RAG status with the previous equivalent from 2017/18). A detailed explanation of the nature of each risk, together with controls and milestones, is set out in Appendix 1 to the report. Appendix 2 shows the risk scoring matrix that has been applied.

## Transport North East (Tyne and Wear) Sub-Committee

Risk area CP Theme	RAG Status	Direction of travel
<b>Catastrophic safety related event on Metro</b> Deliver public transport today	Amber	↔ (static)
<b>Metro performance</b> Deliver public transport today	Amber	↔ (static)
<b>Pop Blue</b> Deliver public transport today	Green	N/A (new risk)
<b>Payment and customer information systems</b> Deliver public transport today	Green	↔ (static)
<b>Procurement of new fleet and its maintenance requirements</b> Prepare for the future	Amber	N/A (new risk)
<b>Long-term funding for Metro</b> Prepare for the future	Amber	↔ (static)
<b>Heavy rail aspirations</b> Prepare for the future	Green	↔ (static)
<b>Plans to expand the Metro and local rail network</b> Prepare for the future	Amber	↔ (static)
<b>Plans to improve the bus network</b> Prepare for the future	Amber	N/A (new risk)
<b>Protecting frontline services whilst balancing the budget</b> Focus on organisational effectiveness	Green	↔ (static)
<b>Efficiency of delivery</b> Focus on organisational effectiveness	Green	↔ (static)
<b>Changes to local political governance</b> Focus on organisational effectiveness	Amber	↔ (static)

## **Transport North East (Tyne and Wear) Sub-Committee**

### **3. Reasons for the Proposals**

- 3.1 Nexus' CRR for 2018/19 provides information to the Sub-Committee and forms the basis for update reports to each subsequent meeting. Risk management is an important aspect of overall performance management, and reporting on Nexus' Corporate Risks complements the high-level summary of Nexus' performance also presented to each meeting. Together these reports support the Sub-Committee in meeting its delegation under the NECA Constitution to monitor and oversee the performance of Nexus (Part 3.3 refers).

### **4. Alternative Options Available**

- 4.1 The report is for noting: no alternative options are presented.

### **5. Next Steps and Timetable for Implementation**

- 5.1 Nexus will continue to manage its CRR to record and monitor any changes, and provide update reports to each subsequent meeting of the Sub-Committee and to meetings of Nexus' Audit Committee.

### **6. Potential Impact on Objectives**

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

### **7. Financial and Other Resources Implications**

- 7.1 There are no direct financial implications for the NECA regarding the management of Nexus' CRR.

### **8. Legal Implications**

- 8.1 There are no specific legal implications for the NECA arising directly from this report.

### **9. Key Risks**

- 9.1 The report identifies what are considered to be the key corporate risks to the achievement of Nexus' Corporate Plan for 2018/19 to 2020/21 which was previously approved by the Sub-Committee at its meeting on 25 January 2018.

## **Transport North East (Tyne and Wear) Sub-Committee**

### **10. Equality and Diversity**

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

### **11. Crime and Disorder**

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

### **12. Consultation/Engagement**

- 12.1 All risk owners and actionees have been consulted in the preparation of this report.

### **13. Other Impact of the Proposals**

- 13.1 There are no other impacts anticipated to arise from the proposal.

### **14. Appendices**

- 14.1 Appendix 1 details each of Nexus' twelve corporate risks.  
14.2 Appendix 2 shows the risk matrix applied

### **15. Background Papers**

- 15.1 Nexus' Corporate Plan 2018/19 to 2020/21 as submitted to the Sub-Committee's meeting on 25 January 2018.

### **16. Contact Officers**

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

### **17. Sign off ✓**

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

### **18. Glossary**

## Transport North East (Tyne and Wear) Sub-Committee

### Abbreviations:

CP – Corporate Plan

CRR – Corporate Risk Register

RAG – Red/Amber/Green (denoting an assigned performance status)

**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.

**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 appetite** - The level of risk that an organisation is prepared to accept in pursuit of its objectives, and before action is deemed necessary to reduce the risk.

**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(s)** – given 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.

CP Theme: <b>Deliver public transport today</b>		
Risk Area: <b>Catastrophic safety related event</b> Risk Owner: <b>Director of Rail and Infrastructure</b> Risk Actionee(s): <b>Metro Services Director &amp; Head of Metro Delivery</b>	<b>RAG Status (Amber)</b>	<b>Direction of Travel</b>
	8(2x4)	↔ (static)
<b>Risk: In running any operational railway there is an inherent risk that a catastrophic safety related event may occur.</b>		
Impact/Consequence(s):  The impact and consequences should a catastrophic safety related 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"> <li>• 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 a railway.</li> <li>• Robust arrangements for the selection and management of contractors working on Metro infrastructure.</li> <li>• Maintaining a comprehensive suite of engineering standards in all relevant railway safety disciplines based on industry best practice</li> <li>• The identification of the top 3 potentially catastrophic safety events we aim to avoid and strive to control: collision, derailment, and fire.</li> <li>• Continuously monitoring &amp; 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).</li> <li>• Regular safety reporting to Nexus' Senior Leadership Team, on a 4 weekly basis, on each of these top 3 events, with a short summary of any identified precursors.</li> <li>• 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).</li> <li>• Participating in joint emergency preparedness exercises with the blue-light services and other interested parties.</li> <li>• Continuation of the Safety Cultural Work started in 2015.</li> </ul>		
Next Steps/Key Milestones: <ul style="list-style-type: none"> <li>• Periodic (i.e. 4-weekly) reporting to Senior Leadership Team meetings.</li> </ul>		

CP Theme: **Deliver public transport today**

<b>Risk Area: Metro performance deterioration</b> <b>Risk Owner: Director of Rail and Infrastructure</b> <b>Risk Actionees: Metro Services Director &amp; Head of Metro Delivery</b>	<b>RAG Status (Amber)</b>	<b>Direction of Travel</b>
	8(2x4)	↔ (static)
<b>Risk: That the ageing fleet, or an unexpected reduction in infrastructure asset condition, could result in a decline in performance.</b>		
<b>Impact/Consequence(s):</b> <p>If Metro's operational performance were to decline for an extended period, with a fall in punctuality and reliability, this could have an adverse impact on customer satisfaction and ridership.</p>		
<b>Control(s):</b> <ul style="list-style-type: none"> <li>• Close monitoring of key business results.</li> <li>• Providing appropriate levels of support from Nexus to NEMOL.</li> <li>• Applying a set of established quality assurance processes.</li> <li>• Developing improvement plans for all NEMOL activities.</li> <li>• Fleet investment of £350k in addition to the budget for planned and reactive maintenance of the Metrocars.</li> <li>• Delivery of the Metro Asset Renewals Programme.</li> </ul>		
<b>Key Milestones/Next Steps:</b> <ul style="list-style-type: none"> <li>• Continuing to embed NEMOL/Metro Services into Nexus' routine performance management and business reporting cycle.</li> <li>• Quarterly review of Asset Condition Reliability Improvement Plans where Principal Engineers and maintenance managers jointly review the performance of assets.</li> </ul>		

<b>CP Theme: Deliver public transport today</b>		
<b>Risk Area: Pop Blue</b> <b>Risk Owner: Customer Services Director</b> <b>Risk Actionee: Fares and Revenue Manager</b>	<b>RAG Status (Green)</b>	<b>Direction of Travel</b>



	6 (2x3)	N/A New risk
<b>Risk: That young people are not sufficiently aware of the new ticketing product, Pop Blue, and its benefits.</b>		
Impact/Consequence(s): Opportunities for participating in education, training and leisure activities may be either limited or lost to young people, aged 18 and under, through a lack of awareness or full appreciation of the benefits of the Pop Blue ticketing product.		
Control(s): <ul style="list-style-type: none"> <li>• Systems established for close monitoring and review of the take-up and usage of Pop Blue</li> <li>• Identification of gaps in take-up and opportunities for targeted promotion of this new product</li> <li>• Encouraging new and returning customers on the basis of the offer.</li> </ul>		
Key Milestones/Next Steps: <ul style="list-style-type: none"> <li>• Further development dependent on the take-up/usage achieved over the last quarter of 2017/18 and first two quarters of 2018/19: review at that point.</li> <li>• Inclusion of Pop Blue as part of Host Card Emulation (your smart phone becomes your Pop card) developments</li> </ul>		

CP Theme: <b>Deliver public transport today</b>		
Risk Area: <b>Customer facing payment and information systems</b>	RAG Status (Green)	Direction of Travel
Risk Owner: <b>Director of Finance and Resources</b>	6(3x2)	↔ (static)
Risk Actionee: <b>Corporate Manager Business Change</b>		

<b>and Technology</b>		
<b>Risk: Payment and customer information systems do not meet the rate of change in customer expectations.</b>		
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"> <li>Utilise organisations that support innovation (e.g. Innovate UK and the Catapult organisations) to accelerate technology delivery timescales and provide leading edge solutions.</li> <li>Align with Transport for the North on adoption of technology developments.</li> <li>Embed a technology roadmap within NECA's Transport Plan for the North East; updating and refreshing the technology roadmap and related plans on a six-monthly basis.</li> </ul>		
Next Steps/Key Milestones: <ul style="list-style-type: none"> <li>Using a Digital Catapult competition approach, develop a "next Generation App" that incorporates Host Card Emulation (your Smartcard is stored on your phone) technology) by engaging with local Digital SMEs; Target – available for trial June.</li> <li>Providing input to the plans being developed through Transport for the North.</li> </ul>		

CP Theme: <b>Prepare for the Future</b>		
Risk Area: <b>Procurement of the new design, build, maintain and provide contract for the fleet/depot.</b> Risk Owner: <b>Director of Finance and Resources</b> Risk Actionee: <b>Metro Development Director</b>	<b>RAG Status (Amber)</b>	<b>Direction of Travel</b>
	9 (3x3)	N/A (new risk)
<b>Risk: The possibility of costs escalating, the potential for delays, the opportunity for challenge, and the prospect of protracted negotiations to obtain technical</b>		

**approvals could combine to adversely impact on affordability and deliverability of the project.**

Impact/Consequence(s):

Delays to obtaining the new fleet or having to find additional funding could place reliance on extending operation of the old deteriorating fleet or else funding being diverted from other areas of need.

Control(s):

- Metro Business Development team established with external support commissioned.
- Ministerial decision to provide £337m government funding obtained.
- Contract strategy agreed.
- Prior Information Notice issued in January 2018
- Ongoing dialogue with the Departments for Transport and Business, Energy and Industrial Strategy.
- Keeping key stakeholders informed regarding progress of the procurement.

Key Milestones/Next Steps:

- Regular 3-monthly meetings of DfT Programme Board
- Periodic progress reporting to Nexus' Senior Leadership Team
- Pre-Qualification Questionnaire to be issued in May 2018.
- Invitation to Negotiate issued in August with 5 prospective tenderers formally invited to bid
- Bids received and evaluated in February 2019, with 3 invited to submit Best and Final Offers (BaFOs)
- BaFOs submitted in May 2019 for final evaluation and award by e/o 2019

CP Theme: **Prepare for the future**

Risk Area: **Long term funding for Metro**

Risk Owner: **Director of Finance and Resources**

**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):

Any reduction in Metro external funding will lead to a diminution in service and failing infrastructure.

**Control(s):**

- 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 Value for Money.
- Engaging with national government, local councillors & MPs and building public support.
- DfT/Nexus Programme Board met in November 2017 to consider future grant funding for both essential renewals and operational subsidy.
- DfT Rail Investment Board meeting to consider revenue support grant to Nexus in 2019/20 in January 2018.
- Development of a business case for extensions has commence, following confirmation of funding for the new fleet.

**Key Milestones/Next Steps:**

- For DfT to clarify the appropriate approvals route to be followed: next steps can then be identified.

CP Theme: <b>Prepare for the future</b>		
<b>Risk Area: Aspirations for heavy rail</b> <b>Risk Owner: Transport Strategy Director</b> <b>Risk Actionee: Head of Heavy Rail</b>	<b>RAG Status (Green)</b>	<b>Direction of Travel</b>
	6(2x3)	↔ (static)
<b>Risk: That local aspirations for heavy rail improvements are not met.</b>		
<b>Impact/Consequence(s):</b> Transformational improvements in rail services for the area are being sought, including but not limited to further devolution of the Northern rail franchise. Failure to secure these improvements could reduce rail connectivity.		
<b>Control(s):</b>		

- Active participation in Transport for the North.
- Ensuring the Lead Member for Transport is fully briefed.
- Retaining and developing the North East Rail Management Unit (NEMU).
- Presence of the NEMU Manager.
- Close working relationships with Rail Partnership Directors.
- Close working relationships with senior managers of local rail franchise operators.

**Next Steps/Key Milestones:**

- Continue with the established framework for engaging and managing the new North East Rail Franchises.
- Building a joint narrative and governance structure with Network Rail and Tees Valley: target date - June 2018
- Creation of a rail-map to take us through to devolution, including stakeholder management: target date – September 2018.

CP Theme: <b>Prepare for the future</b>		
<b>Risk Area: Metro and local rail strategy</b> <b>Risk Owner: Transport Strategy Director</b> <b>Risk Actionee: Head of Network Extensions</b>	<b>RAG Status (Amber)</b>	<b>Direction of Travel</b>
	9 (3x3)	↔ (static)
<b>Risk: Expansion of the Metro and local rail services does not progress.</b>		
<b>Impact/Consequence(s):</b> <p>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.</p>		

**Control(s):**

- Delivery of a new Metro fleet.
- Embed expansion of the Metro and local rail network within the SEP and the NECA's Transport Plan for the North East.
- Establish strong contacts and working relationships with relevant stakeholders.
- Develop an appropriate communications strategy to ensure key decision makers are kept informed.
- Undertake an extensive market consultation to improve the understanding of the appetite for such schemes in the wider market.
- Establish effective programme management disciplines to identify and manage cost and risk.
- Identify and utilise suitable frameworks to develop and progress the project including Nexus Stage Gate project control process and the development of an Outline Business Case.
- Identify and adopt best practice in the delivery of extensions, establishing a peer review framework.

**Key Milestones/Next Steps:**

- Completion of the economic baseline report by May 2018
- Completion of a stakeholder engagement exercise by September 2018
- Production of an OBC for the Network Capacity and Resilience project by autumn 2018

CP Theme: <b>Prepare for the future</b>		
Risk Area: <b>Improving the bus network</b> Risk Owner: <b>Transport Strategy Director</b> Risk Actionee: <b>Corporate Manager Bus Services</b>	RAG Status (Amber)	Direction of Travel
	9 (3x3)	N/A New risk
<b>Risk:</b> That obstacles arise to pursuing delivery options for the NECA Bus Strategy, including those options available under the Bus Services Act 2017, limiting the scope for improvement.		
<b>Impact/Consequence(s):</b> The full benefits being sought through the NECA Bus Strategy are not obtained, or are unduly delayed.		
<b>Control(s):</b> <ul style="list-style-type: none"><li>• Engaging with the industry to alleviate potential barriers;</li></ul>		

- Reviewing our approach to bus services legislation in order to meet its requirements for each delivery option;
- Lobbying regional and national stakeholders to open up new ways of collaborating to deliver our objectives;
- Engaging with local people and local businesses to help inform development of the business case.

**Next Steps/Key Milestones:**

- New bus strategy/transport plan agreed: end 2018
- Preparation of strategic outline business case with long list of options: end 2019
- Secure local agreement to the option(s) to be pursued: target spring 2020
- Implement chosen option(s): over 2020 to 2022, depending on choice of delivery option

CP Theme: <b>Focus on organisational effectiveness</b>		
<b>Risk Area: Protecting frontline services whilst achieving a balanced budget.</b> <b>Risk Owner: Director of Finance and Resources</b> <b>Risk Actionee: Head of Finance</b>	RAG Status (Green)	Direction of Travel
	6 (2x3) Green	↔ (static)
<b>Risk: That Nexus is unable to deliver a balanced budget with no use of reserves by 2019/20 whilst protecting the delivery of discretionary front-line services in 2018/19.</b>		
<b>Impact/Consequence(s):</b> Due to unforeseen budget pressures that could arise Nexus may need to consider implementing some frontline service reductions during 2018/19.		
<b>Control(s):</b> <ul style="list-style-type: none"> <li>• Consultation with public and key stakeholders was undertaken over June and July 2016 to identify priorities for local discretionary services.</li> <li>• Nexus' strategic budget position and corporate planning priorities discussed with LA</li> </ul>		

<p>Treasurers and TWSC during late summer 2017.</p> <ul style="list-style-type: none"> <li>• Base budget review carried out and balance sheet review undertaken.</li> <li>• TWSC endorsement of budget strategy to inform NECA leaders.</li> <li>• Budget managers remitted to prepare service plans and formulate budgets.</li> <li>• Budget proposals and savings targets agreed.</li> <li>• Detailed budget proposals developed and consulted upon in accordance with the NECA constitution through to the approval of the 2018/19 transport levy at the Leadership Board meeting in January 2018.</li> <li>• TWSC approved Nexus' Corporate Plan for 2018/19 to 2020/21 at its meeting on 25 January 2018.</li> <li>• TWSC policy seminar in February 2018 received an update on the challenges faced by Nexus over 2018/19 to 2020/21, including the possible need during 2018/19 to consider proposals for service reductions that may have to be implemented to meet the requirement for setting a balanced budget with no call on reserves by 2019/20.</li> </ul>
<p>Next Steps/Key Milestones:</p> <ul style="list-style-type: none"> <li>• 4-weekly periodic financial monitoring by Nexus' Senior Leadership Team.</li> <li>• Nexus' input to the quarterly monitoring of the Revenue Budget and Capital Programme expenditure reports submitted to Transport North East Committee.</li> </ul>

CP Theme: <b>Focus on organisational effectiveness</b>		
Risk Area: <b>Efficiency of delivery</b>	<b>RAG Status (Green)</b>	<b>Direction of Travel</b>
Risk Owner: <b>Director of Finance and Resources</b>	6 (2x3)	<b>↔</b> (static)
Risk Actionee: <b>Head of Programme Assurance</b>		
<b>Risk: That the outcomes being sought from capital investment are compromised.</b>		
Impact/Consequence(s):  Increased pressure on the funding for and affordability of the final years of this phase of the ARP, and other significant capital projects, could mean a further scaling back of the work programme through to 2020/21 and potentially compromise delivery of key elements.		
Control(s): <ul style="list-style-type: none"><li>• Bidding for additional funding e.g. through the Single Local Growth Fund (SLGF) in relation to the station investment programme.</li><li>• Effective programme management, project delivery and budget control processes.</li><li>• Value engineering, technology choice, option analysis, specification and scope.</li><li>• Active stakeholder engagement to obtain involvement and co-operation of third/interested parties e.g. NEMOL, Network Rail, highway authorities, utility companies etc.</li><li>• Providing sufficient programme/project management resource.</li></ul>		



- Close and proficient management of all contracts relating to ARP and other works in the capital programme.
- Re-phasing of capital grant funding 2017/18 to 2020/21 agreed by DfT.
- Seek early approval from DfT for Capital funding for 2021/22 and beyond to ensure continuity in resourcing and delivery together with flexibility in programme development and planning.

Next Steps/Key Milestones:

- Periodic Project reviews, analysis and reporting – presentation to Nexus' Capital Steering Group & Senior Leadership Team.

Periodic Affordability Review meetings:

- April 2018
- October 2018
- January 2019

CP Theme: **Focus on organisational effectiveness**

Risk Area: **Progressing the devolution agenda**  
Risk Owner: **Managing Director Transport Operations**

**RAG Status  
(Amber)**

**Direction of  
Travel**

8 (2x4)

↔  
(static)

**Risk: A 'minded to' devolution deal has been announced between the government and Newcastle, Northumberland and North Tyneside Councils (known as the 'North of Tyne Authorities'). Although transport is not part of the deal, it is also proposed that governance arrangements for transport will change in the area through the creation of a 'Joint Transport Committee'. Any new arrangement must provide Nexus with an appropriate structure for it to be able to exercise its duties, functions and powers so as to deliver effective public transport in the area it is responsible for.**

Impact/Consequence(s):

New governance arrangements for transport need to provide for both effective political decision-making, and scrutiny of delivery and performance. Slow or ineffective decision-making could limit Nexus' ability to make transport improvements, and limit access to the necessary resources to deliver effective transport. This could also give rise to the potential for increased complexity and cost, and poorer outcomes for public transport users.

Ineffective scrutiny could lead to reduced public assurance over value for money, and loss of accountability for project delivery and operational performance.

Control(s):

- The new proposals for governance have been drawn up by the North of Tyne Authorities and the government taking into account the aim for Nexus to remain the Passenger Transport Executive for the Tyne and Wear area.

- Nexus' powers, functions and duties largely arise from a range of government Acts, including the Transport Act 1968 (as amended) and the Tyneside Metropolitan Railway Act 1973, and there is no current proposal to amend these.
- Nexus' Managing Director, supported by the Group Head of Legal and Director of Finance and Resources, will work closely with Chief Executives and Legal officers from all North East Authorities, the North East Combined Authority, and the government to ensure that Nexus' powers, duties and functions along with associated political governance requirements are fully understood and taken into account as new structures are developed.
- Nexus responded as a statutory consultee to the consultation on the devolution proposals that took place between 14 December 2017 and 5 February 2018, part of the formal processes leading up to the establishment of a new North of Tyne Combined Authority. Nexus' response was noted in the consultation report published by the North of Tyne authorities.

#### Next Steps/Key Milestones:

- Engagement with the Authorities involved, and DfT, to identify legal and financial considerations and possible working approaches.
- Working with the Chief Executives' Group to identify issues and mitigations.
- Proposed establishment of the North of Tyne Combined Authority and the Joint Committee for Transport in summer 2018.



## Appendix 2: Risk Score Matrix

Assess the impact if the risk occurred:

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 impact should the risk occur e.g.

	On objectives:	On service delivery:	On finances:	On reputation:
Critical	<ul style="list-style-type: none"> <li>Over half of programmes or objectives affected</li> <li>More than one critical objective impacted</li> <li>Stakeholders do not commit to a shared vision</li> </ul>	<ul style="list-style-type: none"> <li>Significant change in services</li> <li>Relationship breakdown between major stakeholders</li> <li>Serious impact on strategic plans</li> <li>Unplanned major re-prioritisation of resources and/or services</li> <li>Failure of a delivery programme or major project</li> </ul>	<ul style="list-style-type: none"> <li>Unable to secure or loss of significant funding opportunity (£5m)</li> <li>Significant financial loss (£2m)</li> <li>Significant adverse impact on budgets</li> </ul>	<ul style="list-style-type: none"> <li>Adverse national media attention</li> <li>External criticism (in press)</li> <li>Significant loss of confidence or satisfaction from stakeholders</li> <li>Significant loss of community confidence</li> </ul>
Significant	<ul style="list-style-type: none"> <li>One or more objectives or programmes affected</li> <li>One or more stakeholders do not commit to shared vision</li> <li>Significant environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>Partner unable to commit to joint arrangements</li> <li>Recoverable impact on service delivery</li> <li>Major project failure</li> </ul>	<ul style="list-style-type: none"> <li>Prosecution</li> <li>Major change in or loss of funding opportunity (£2m)</li> <li>Notable change in an external contribution</li> <li>Notable adverse impact on budget</li> </ul>	<ul style="list-style-type: none"> <li>Notable external criticism</li> <li>Notable reduction in confidence or satisfaction</li> <li>Internal dispute between partners</li> <li>Adverse regional media attention</li> <li>Significant loss of community confidence</li> </ul>
Minor	<ul style="list-style-type: none"> <li>Up to 2 priority outcomes affected</li> <li>Isolated serious injury/ill health</li> <li>Minor environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>Threatened loss of partner commitment</li> </ul>	<ul style="list-style-type: none"> <li>Minor financial loss</li> <li>Some loss of funding</li> <li>Funding opportunity threatened</li> </ul>	<ul style="list-style-type: none"> <li>Failure to reach agreement with individual stakeholder organisation</li> <li>Some loss in confidence or satisfaction</li> </ul>
Insignificant	<ul style="list-style-type: none"> <li>Minor effect on priorities/service objectives</li> <li>Isolated minor injury/ill health</li> <li>Insignificant environmental impact</li> </ul>		<ul style="list-style-type: none"> <li>Isolated containable financial impact</li> </ul>	

Assess the likelihood of the risk occurring:

Likelihood:

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



## **Transport North East (Tyne and Wear) Sub-Committee**

**Date:** 19 APRIL 2018

**Subject:** TYNE TUNNELS – UPDATE

**Report of:** CHIEF EXECUTIVE OFFICER FOR TRANSPORT

### **Executive Summary**

The purpose of this report is to provide Members with an update on activities at the Tyne Tunnels relating to:

1. The operation of the New Tyne Crossing;
2. The Tyne Pedestrian and Cycle Tunnels (TPCT) - Phase 3 improvement works;

### **Recommendations**

The Transport North East (Tyne and Wear) Sub-Committee is recommended to:

- i Note the contents of the New Tyne Crossing update;
- ii Note the contents of the Tyne Pedestrian and Cycle Tunnels - Phase 3 improvement works update;

## **Transport North East (Tyne and Wear) Sub-Committee**

### **1. Background Information**

#### **New Tyne Crossing**

- 1.1 The Project Agreement (PA) for the New Tyne Crossing (NTC) was signed on 23 November 2007. Full operational commissioning was achieved on 21 November 2011. TT2 Ltd are responsible for the day to day management and operation of the New Tyne Crossing. This is monitored by the North East Combined Authority (NECA) in accordance with the terms of the Project Agreement.

#### **Tyne Pedestrian and Cyclist Tunnels**

- 1.2 The major maintenance liability for the Tyne Pedestrian and Cyclist Tunnels (TPCT) was retained by the NECA (formerly the Tyne and Wear Integrated Transport Authority) in the Project Agreement entered into with TT2 Ltd on 23 November 2007. The TPCT is currently undergoing refurbishment works.
- 1.3 In April 2015, following the original contractor entering Administration, the NECA took over the role of Main Contractor on the refurbishment of the Tyne Pedestrian and Cyclist Tunnels.

### **2. Proposals/ Review**

#### **New Tyne Crossing**

- 2.1 TT2 Ltd have appointed a new Chief Executive, Phil Smith. Officers have met with Phil and it is proposed to invite him to a future TWSC meeting to discuss the operation of the Tunnels.

#### **Tyne Tunnels Tolls Increase**

- 2.2 The Leadership Board at its meeting of the 21 November 2017 authorised the proposal to increase the toll for class 3 vehicles using the vehicle tunnels to £3.40. Following completion of the formal legal process with the Secretary of State for Transport, the implementation of the toll increase took place at midnight on Sunday 4 March 2018.

#### **Operations Summary**

##### **Traffic Flows**

- 2.3 TT2 are responsible for the day to day management and operation of the tunnels.

## **Transport North East (Tyne and Wear) Sub-Committee**

As part of their duties they are required to provide a Monthly Service Report to the NECA on operational issues, including inspections and details of any Health and Safety incidents which have occurred during the report period. In future it is proposed that some of the information is provided on a monthly basis and some information is provided a quarterly basis, in order to improve the efficiency of the reporting arrangement. In addition TT2 submit a claim as part of the payment mechanism for the tunnels which identifies the number and type of vehicles using the tunnels.

- 2.4 TT2 and the NECA constantly review the traffic flows through the Tyne Tunnels. A review of the traffic flow levels through the tunnels over the last 12 months has identified the previously reported reduction in traffic using the tunnels has remained constant. This is considered to be a direct consequence of the construction works to the Silverlink Junction being carried out by Highways England and other highway related works being carried out in North Tyneside. This continues to be monitored by both the NECA and TT2 Ltd. See Appendix A.
- 2.5 This reduction in traffic levels using the tunnels will have an impact on the revenue generated for TT2 and the NECA and the budgets for 2017-18 and 2018-19 have been amended to reflect this impact. The majority of the impact falls on TT2 due to the operation of the payment mechanism.
- 2.6 No significant Health and Safety issues have been identified during the last reporting period.

### **Tyne Pedestrian and Cyclist Tunnels**

- 2.7 The refurbishment works on the TPCT are continuing with civil, mechanical and electrical engineering contractors working on site.
- 2.8 Good progress is being made throughout the tunnels and the installation of the inclined glass elevator has started with the installation of the rails, motors and control panels.
- 2.9 Unfortunately it has to be reported that the specialist electrical contractor engaged on the project has entered Administration and that they have ended their involvement on the project. The NECA are assessing the options available to complete the remaining electrical works. In the short term the NECA will address this issue by using 'in house' electricians to continue the electrical installation works and to engage directly with any specialist electrical equipment manufactures for any specialist equipment required to progress the project.

## Transport North East (Tyne and Wear) Sub-Committee

2.10 At this time it is not possible to identify the cost or programme implications on the completion of the project. Officers are currently reviewing the remaining activities and programme to try and minimise the impact on the reopening of the tunnels to the public.

2.11 At this time the anticipated reopening of the tunnels remains late Autumn 2018.

2.12 Despite this issue good progress is being made in the other refurbishment activities throughout the tunnels and a progress booklet showing recent photographs of the tunnels is included in Appendix B.

2.13 A review of the project costs has been completed and is summarised below. It should be noted that the scope of the project has been significantly increased as reported to and approved by the NECA.

It can be seen that the failure of the original main contractor engaged on the project has had a significant impact on the total cost of the project. This also contributed to the suspension of the refurbishment works for nearly two years.

<b>Summary - Refurbishment Works</b>		
Prof Fees - Design / Procurement / Supervision / Approvals		1,427,260
Refurbishment Works Costs:		10,873,834
Shuttle Bus Provision		534,839
	<b>Sub-Total</b>	<b>12,835,933</b>
<b>Summary - Administration Period</b>		
Administration Period Costs - Prof fees/Insurance/Rent/Utilities		672,304
Prof Fees - Investigation / Design / Procurement / Supervision/ Approvals		169,704
Asbestos Environmental Clean Works Costs		1,131,357
Shuttle Bus Provision		247,900
	<b>Sub-Total</b>	<b>2,221,265</b>
Contingency Allowance		600,000
	<b>Est Total</b>	<b>15,657,198</b>

### 3. Reasons for the Proposals



## **Transport North East (Tyne and Wear) Sub-Committee**

### **New Tyne Crossing**

- 3.1 Levels of inflation, measured by RPI in accordance with the River Tyne (Tunnels) (Modification) Order 2011 are such that an increase in the toll for HGVs is possible and necessary to finance the tunnels in line with the tunnel financing arrangements, but an increase in the toll for cars has not yet been triggered.

### **Tyne Pedestrian and Cyclist Tunnels**

- 3.2 The completion of the refurbishment works at the tunnels will allow the use of the tunnels to support cycling and walking as well as providing links between the Authorities on either bank of the River Tyne.

## **4. Alternative Options Available**

### **New Tyne Crossing**

- 4.1 The increase in tolls is in line with the tunnel financing arrangements.

### **Tyne Pedestrian and Cyclist Tunnels**

- 4.2 The termination of the refurbishment works or the delivery of the refurbishment works via a further procurement has been considered. However it is felt that the NECA management of the project provides least risk to the NECA in the completion of this project.

## **5. Next Steps and Timetable for Implementation**

### **Tyne Pedestrian and Cyclist Tunnels**

- 5.1 The refurbishment works will continue to be overseen by the New Tyne Crossing team based in TT2 Ltd's offices. The contract management of the refurbishment works are being undertaken by the NECA. Specialist contractors are being engaged to complete the project. The Lead Chief Executive for Transport will report regularly on progress to the Sub-Committee.
- 5.2 The current programme for completion of the refurbishment works indicate that they will be substantially complete in the late Autumn of 2018. Officers are reviewing the works programme and assessing the health and safety measures required to

## **Transport North East (Tyne and Wear) Sub-Committee**

reopen the tunnels as early as possible.

- 5.3 The NTC Communications Team continue to action and maintain the Communication Plan, including continuing a dialogue with the adjacent communities, their representatives, pedestrian and cyclist groups and adjacent local authorities.

### **6. Potential Impact on Objectives**

#### **New Tyne Crossing**

- 6.1 The monitoring and administration of the operation of the New Tyne Crossing ensures that the interests and objectives of the NECA are being delivered.

#### **Tyne Pedestrian and Cyclist Tunnels**

- 6.2 The refurbishment of the TPCT will secure the future operation of this important transport link across the River Tyne. It provides specifically for pedestrians and cyclists and as such contributes positively to addressing climate change by encouraging non-motorised modes of travel. It also has the benefit of helping to reduce the number of motor vehicles on the roads – particularly on residential roads – to the benefit of local communities. The TPCT is also positive in terms of economic development and regeneration because it aids access to jobs in the A19 corridor for those who do not own a car.

### **7. Financial and Other Resources Implications**

#### **New Tyne Crossing**

- 7.1 The Tyne Tunnel costs are fully funded by toll income. Payments to the concessionaire TT2 automatically rise with RPI inflation. The River Tyne (Tunnels) (Modification) Order 2018 make provision for the increase of tolls in line with inflation. The tolls have increased in accordance with para 7 of Schedule 14 of the River Tyne (Tunnels) Order 2005
- 7.2 The assumptions and the financial model assumed an increase in traffic usage over time with additional toll income. The current identified reduction in traffic flows will have an impact on the revenue generated by the Tunnels however this is largely offset by lower contract payments to the Concessionaire, TT2 Ltd, as these payments are calculated on traffic flows.

The change in traffic flow will be monitored by the Chief Finance Officer and its

## **Transport North East (Tyne and Wear) Sub-Committee**

impact will be reflected in the revised budget for 2017/18 and in the new Budget for 2018/19.

### **Tyne Pedestrian and Cyclist Tunnels**

- 7.3 The cost of the refurbishment works is currently funded from the Tyne Tunnel Reserves. NECA officers are examining all sources of potential funding, including grants. However, in the absence of any allocations from other funding sources at this point in time, the costs are to be met from the Tyne Tunnels Reserve. It is important to note that this reserve is ring-fenced for use on the tunnels, but it would have an opportunity cost, because once the Tunnel Financing costs are met the reserve can be used for other transport projects. If a source of grant funding for the works can be identified, this will be used and reduce the call on reserves.
- 7.4 The latest cost estimates will be monitored by the Chief Finance Officer and its impact will be reflected in the revised budget for 2017/18 and in the new Budget for 2018/19.
- 7.5 The adopted approach of the NECA carrying out the project management is expected to minimise the delay in the completion of the project.

## **8. Legal Implications**

### **New Tyne Crossing**

- 8.1 The River Tyne (Tunnels) (Revision of Tolls) Order 2018 authorised the increases of the tolls set out in this report from midnight on Sunday 4 March 2018. Having made an order revising the toll, the River Tyne (Tunnels) (Modification) Order 2011 precludes the making of another such tolls revision order within 12 months.
- 8.2 There are no other legal implications arising directly from this part of the report.

### **Tyne Pedestrian and Cyclist Tunnels**

- 8.3 The Order creating the NECA provides that the NECA will be substituted in all contracts (and other legal documents) for the Tyne and Wear Integrated Transport Authority.

## **9. Key Risks**

## **Transport North East (Tyne and Wear) Sub-Committee**

- 9.1 The risks of uncertain income generation and any other uncertain risks is the responsibility of TT2 Ltd under the Project Agreement which means that there are no specific risk management implications arising from this report for NECA.

### **10. Equality and Diversity**

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

### **11. Crime and Disorder**

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

### **12. Consultation/Engagement**

- 12.1 The Head of Paid Service, Monitoring Officer and Chief Finance have been consulted.

### **13. Other Impact of the Proposals**

- 13.1 The refurbishment of the TPCT will secure the future operation of this important transport link across the River Tyne. It provides specifically for pedestrians and cyclists and as such contributes positively to addressing climate change by encouraging non-motorised modes of travel. It also has the benefit of helping to reduce the number of motor vehicles on the roads – particularly on residential roads – to the benefit of local communities. The TPCT is also positive in terms of economic development and regeneration because it aids access to jobs in the A19 corridor for those who do not own a car.

### **14. Appendices**

- 14.1 Appendix A: Traffic Figures for the New Tyne Crossing  
Appendix B: Tyne Pedestrian and Cyclist Tunnel Progress Booklet

## Transport North East (Tyne and Wear) Sub-Committee

### 15. Background Papers

#### 15.1 River Tyne (Tunnels) Order 2005

Report dated 2 February 2010 - TPCT Lift Modernisation and Investigatory works – Confidential

Report dated 22 July 2010 - TPCT - Investment Proposals

River Tyne (Tunnels) (Modification) Order 2011

The River Tyne (Tunnels) (revision of Tolls) Order 2018

Report of the Evaluation Panel– Evaluation of the tenders for the Inclined Lift for the TPCT dated 07 December 2011 – Confidential

Report of the Evaluation Panel– Evaluation of the tenders for the main Phase 3 Improvement Works to the TPCT dated 02 October 2012 – Confidential

Report of the Evaluation Panel– Evaluation of the tenders for the Shuttle Bus Service for the TPCT for the Phase 3 Improvement Works – Confidential

Report dated 12 October 2012 - TPCT Phase 3 Improvement Works – Confidential

Report dated 23 January 2014 – TPCT Phase 2 Improvement Works - Update – Confidential

Report dated 09 October 2014 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 20 April 2015 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 20 April 2015 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 17 September 2015 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 24 November 2015 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 28 January 2016 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 25 February 2016 - TPCT Phase 3 Improvement Works - Update – Confidential

Report dated 19 April 2016 – NELB -TPCT Tender Report – Confidential

Report dated 13 May 2016 – NELB - New Tyne Crossing - Update – Confidential

Report dated 15 July 2016 - TPCT Phase 3 Improvement Works - Update –

## Transport North East (Tyne and Wear) Sub-Committee

Confidential

Report dated 15 September 2016 – Tyne Tunnels Update – Confidential

Report dated 3 November 2016 – Tyne Tunnels - Update – Confidential

Report dated 26 January 2017 – Tyne Tunnels - Update – Confidential

Report dated 27 February 2017 – Tyne Tunnels - Update – Confidential

Report dated 20 April 2017 – Tyne Tunnels - Update – Confidential

Report dated 13 July 2017 – Tyne Tunnels - Update – Confidential

Report dated 14 September 2017 – Tyne Tunnels - Update – Confidential

Report dated 21 November 2017 – Tyne Tunnels - Update – Confidential

Report dated 26 January 2017 – Tyne Tunnels - Update – Confidential

Report dated 23 February 2017 – Tyne Tunnels - Update – Confidential

### 16. Contact Officers

16.1 Paul Woods, Chief Finance Officer, [paul.woods@northtyneside.gov.uk](mailto:paul.woods@northtyneside.gov.uk), Tel: 07446936840

John Softly, Assistant Director Legal Services, [john.softly@newcastle.gov.uk](mailto:john.softly@newcastle.gov.uk), Tel: 0191 277 7047

Alastair Swan, Principal Engineer, [alastair.swan@newcastle.gov.uk](mailto:alastair.swan@newcastle.gov.uk), Tel: 0191 211 5931

### 17. Sign off

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

### 18. Glossary

TPCT – Tyne Pedestrian and Cyclist Tunnel

NTC – New Tyne Crossing

ITA – Tyne and Wear Integrated Transport Authority

PA – Project Agreement (relating to the contract for the provision of the New Tyne

## **Transport North East (Tyne and Wear) Sub-Committee**

Crossing)

RPI – Retail Price Index

NELB – North East Leadership Board

TNE – Transport North East

TWSC – Tyne and Wear Sub Committee

## Transport North East (Tyne and Wear) Sub-Committee

### Appendix A: Traffic Figures for the New Tyne Crossing

#### 1 Background Information

The Tyne Tunnels operation transferred to the Concessionaire, TT2 Ltd, on 1 February 2008. Their operational performance is monitored by the Engineer to the Tunnels.

#### 2 Operational Performance

- 2.1 The following graphs give a breakdown of the traffic flows through the Tyne Vehicle tunnels for the last financial year.

2.1.1 Table 1: TT2 Monthly Traffic Statistics. Contains the data used to create the Graphs A to C inclusive.

2.1.2 Graph A: TT2 Monthly Traffic Figures. Illustrates the total monthly traffic flows through the Tunnels, for the period 1 April 2017 to 31 March 2018.

2.1.3 Graph B: TT2 Monthly Traffic Figures by Vehicle Type. Illustrates the monthly traffic flows by Vehicle Type, for the period 1 April 2017 to 31 March 2018.

Class 1 – motorbikes, Class 2 Cars and Light Goods Vehicles under 3500kgs, Class 3 Heavy Goods Vehicles and Exempts

2.1.4 Graph C: TT2 Monthly Traffic Figures by Payment Type. Shows how customers met the toll requirements. Cash or Permit.

2.1.5 Table 2: Presents Environmental Data for the Tunnels.



## **Transport North East (Tyne and Wear) Sub-Committee**

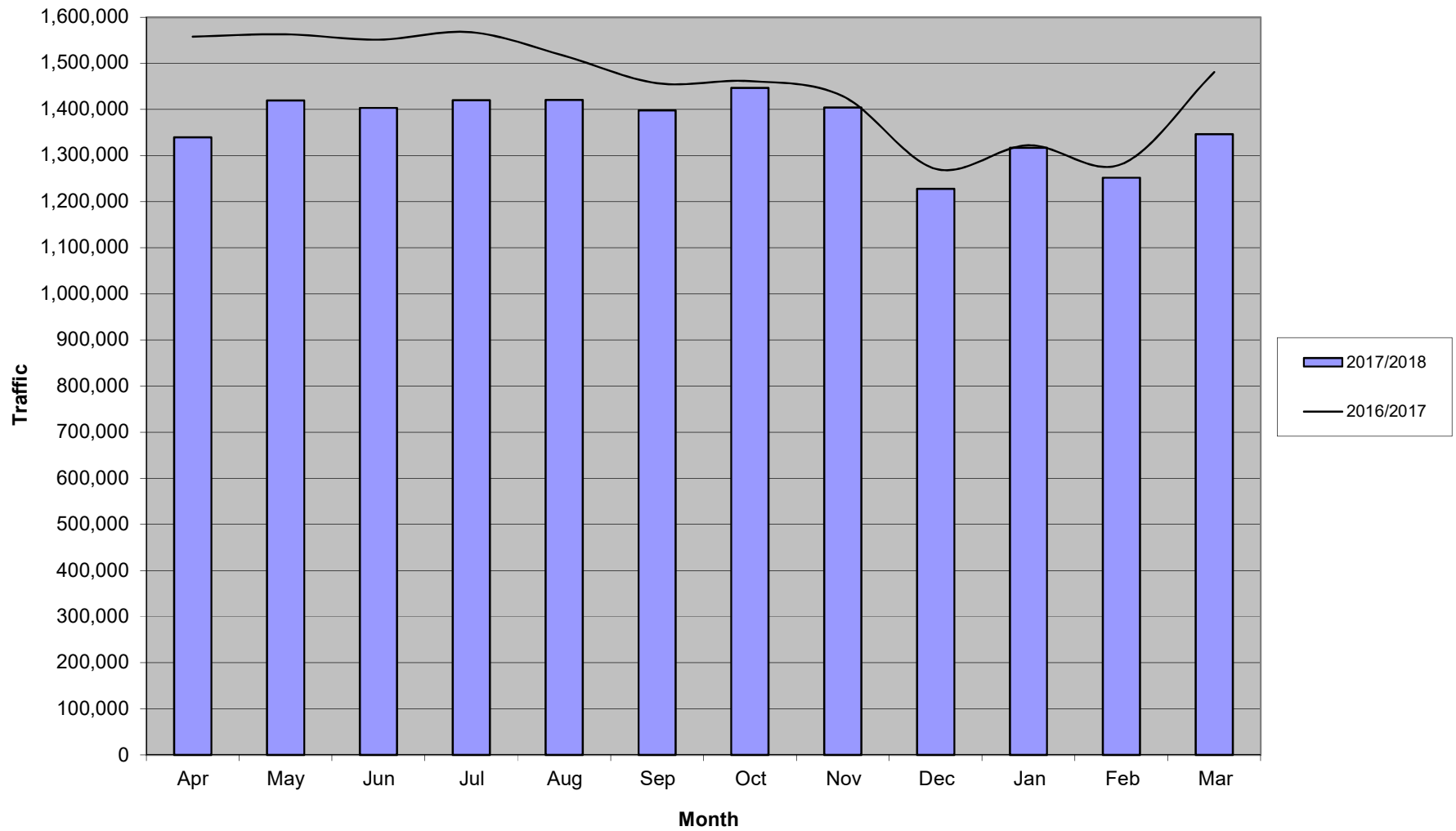
### **Appendix B – Tyne Pedestrian and Cyclist Tunnel Progress Booklet**

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TT2 MonthlyTraffic Statistics														
Monthly	2017/2018													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		Total Vehicles
2017/2018	1,339,682	1,419,309	1,403,299	1,419,925	1,420,316	1,398,352	1,446,673	1,404,383	1,228,034	1,316,739	1,252,175	1,346,514	Forecast	16,395,401
2016/2017	1,558,122	1,563,097	1,551,438	1,567,605	1,516,502	1,457,122	1,461,583	1,429,020	1,271,255	1,322,420	1,281,275	1,481,023		
Capacity	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,184,000	2,418,000		28,470,000
Traffic by Class	2017/2018													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
2017/2018	1,339,682	1,419,309	1,403,299	1,419,925	1,420,316	1,398,352	1,446,673	1,404,383	1,228,034	1,316,739	1,252,175	1,346,514		
2016/2017	1,558,122	1,563,097	1,551,438	1,567,605	1,516,502	1,457,122	1,461,583	1,429,020	1,271,255	1,322,420	1,281,275	1,481,023		
Capacity	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,184,000	2,418,000		% ETC 2017/18
Class 1	17,675	21,327	19,424	19,107	18,981	17,040	15,244	11,516	6,285	8,075	7,994	9,987	C1 % ETC	0.00
Class 2	1,203,550	1,272,084	1,261,526	1,277,628	1,272,611	1,258,202	1,308,554	1,271,395	1,118,700	1,197,512	1,134,845	1,216,377	C2 % ETC	48.79
Class 3	69,811	75,135	72,823	72,658	77,236	73,904	72,081	72,326	57,294	64,296	65,040	72,052	C3 % ETC	81.86
Exempts	48,646	50,763	49,526	50,532	51,488	49,206	50,794	49,146	45,755	46,856	44,296	48,098	Ex % ETC	78.21
													Total %	51.03
Class,Cash,Permit	2017/2018													
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
2017/2018	1,339,682	1,419,309	1,403,299	1,419,925	1,420,316	1,398,352	1,446,673	1,404,383	1,228,034	1,316,739	1,252,175	1,346,514		
2016/2017	1,558,122	1,563,097	1,551,438	1,567,605	1,516,502	1,457,122	1,461,583	1,429,020	1,271,255	1,322,420	1,281,275	1,481,023		
Capacity	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,340,000	2,418,000	2,340,000	2,418,000	2,418,000	2,184,000	2,418,000		
Class 1 Cash	17675	21327	19424	19107	18981	17040	15244	11516	6285	8075	7994	9987	C1	
Class 1 Permit	0	0	0	0	0	0	0	0	0	0	0	0	P1	
Class 2 Cash	655995	653081	642326	682930	707874	656086	671900	614838	585193	563420	548927	593454	C2	
Class 2 Permit	547555	619003	619200	594698	564737	602116	636654	656557	533507	634092	585918	622923	P2	
Class 3 Cash	12740	14076	13997	14209	14086	13349	13231	13489	10049	11152	11024	11852	C3	
Class 3 Permit	57071	61059	58826	58449	63150	60555	58850	58837	47245	53144	54016	60200	P3	
Exempts	10689	10840	10290	11260	12157	11045	11496	10532	9709	9349	9661	10482	Ex	
Exempts Permit	37957	39923	39236	39272	39331	38161	39298	38614	36046	37507	34635	37616	P_Ex	
2016/2017 Traffic by Class														% ETC
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	C1 % ETC	0.00
Class 1 total	16,763	22,597	23,464	22,981	21,107	20,862	16,403	10,785	8,360	8,449	9,766	16,151	C2 % ETC	46.56
Class 2 total	1,400,107	1,401,345	1,386,027	1,405,523	1,359,003	1,306,883	1,317,764	1,288,188	1,152,068	1,197,800	1,157,085	1,333,526	C3 % ETC	80.34
Class 3 total	89,511	85,983	89,581	84,989	81,841	79,301	76,279	80,354	64,024	69,432	70,723	79,767	Ex % ETC	80.34
Exempts total	51,741	53,172	52,366	54,112	54,551	50,076	51,137	49,693	46,803	46,739	43,701	51,579		
2016/2017 Class,Cash,Permit														TOTAL % ETC
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
Class 1 Cash	16763	22597	23464	22981	21107	20862	16403	10785	8360	8449	9766	16151		49.04
Class 1 Permit	0	0	0	0	0	0	0	0	0	0	0	0		
Class 2 Cash	768490	779434	748910	791471	792522	702008	709180	648245	626240	588306	578555	660200		
Class 2 Permit	631617	621911	637117	614052	566481	604875	608584	639943	525828	609494	578530	673326		
Class 3 Cash	19196	18255	18992	17626	16845	16192	14853	15006	11804	11955	11902	14511		
Class 3 Permit	70315	67728	70589	67363	64996	63109	61426	65348	52220	57477	58821	65256		
Exempts	9224	10072	10247	11302	12021	9919	10166	9075	9620	8584	8433	10442		
Exempts Permit	42517	43100	42119	42810	42530	40157	40971	40618	37183	38155	35268	41137		

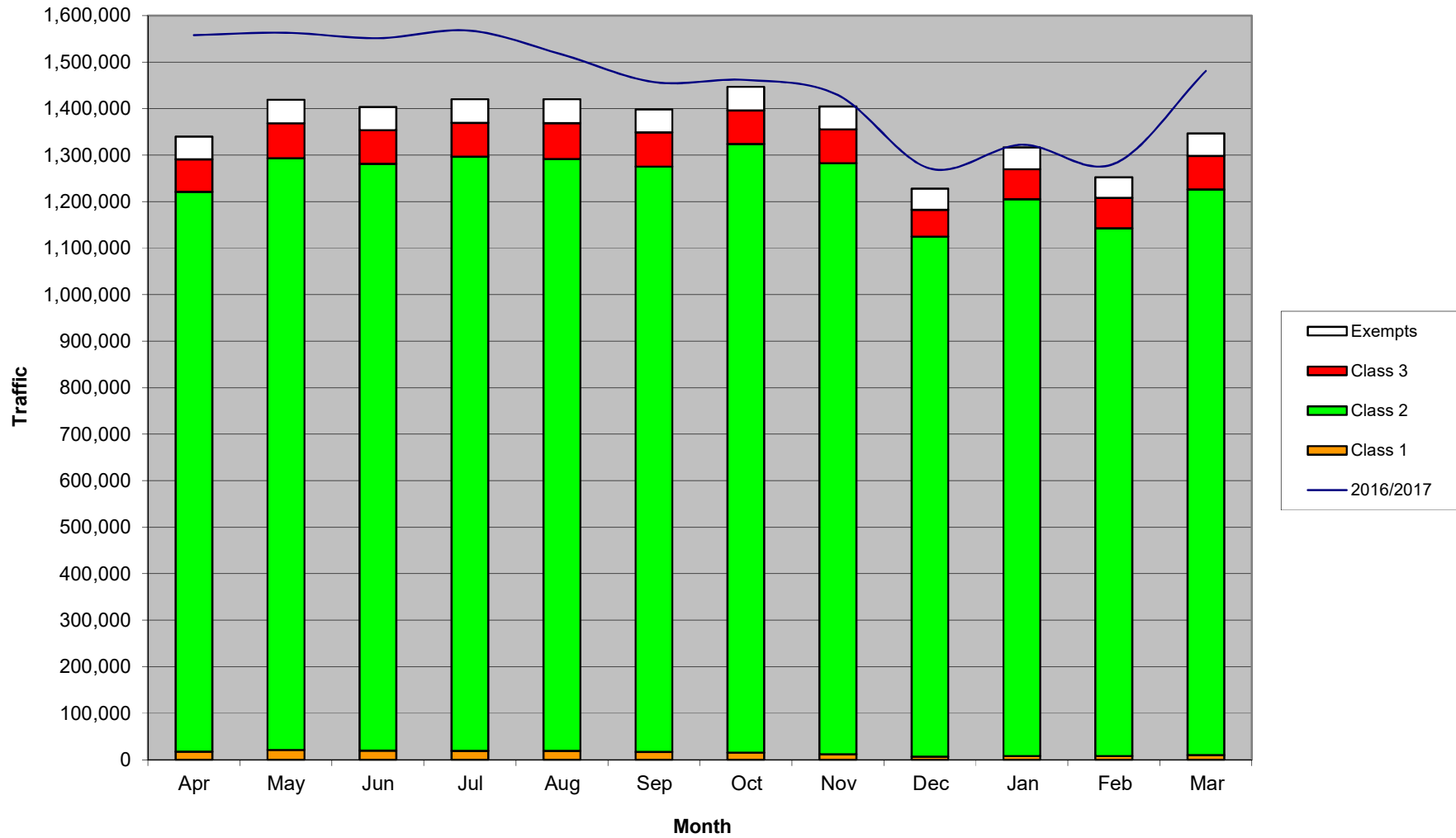
Table 1: TT2 Monthly Traffic Statistics

### TT2 TRAFFIC FIGURES



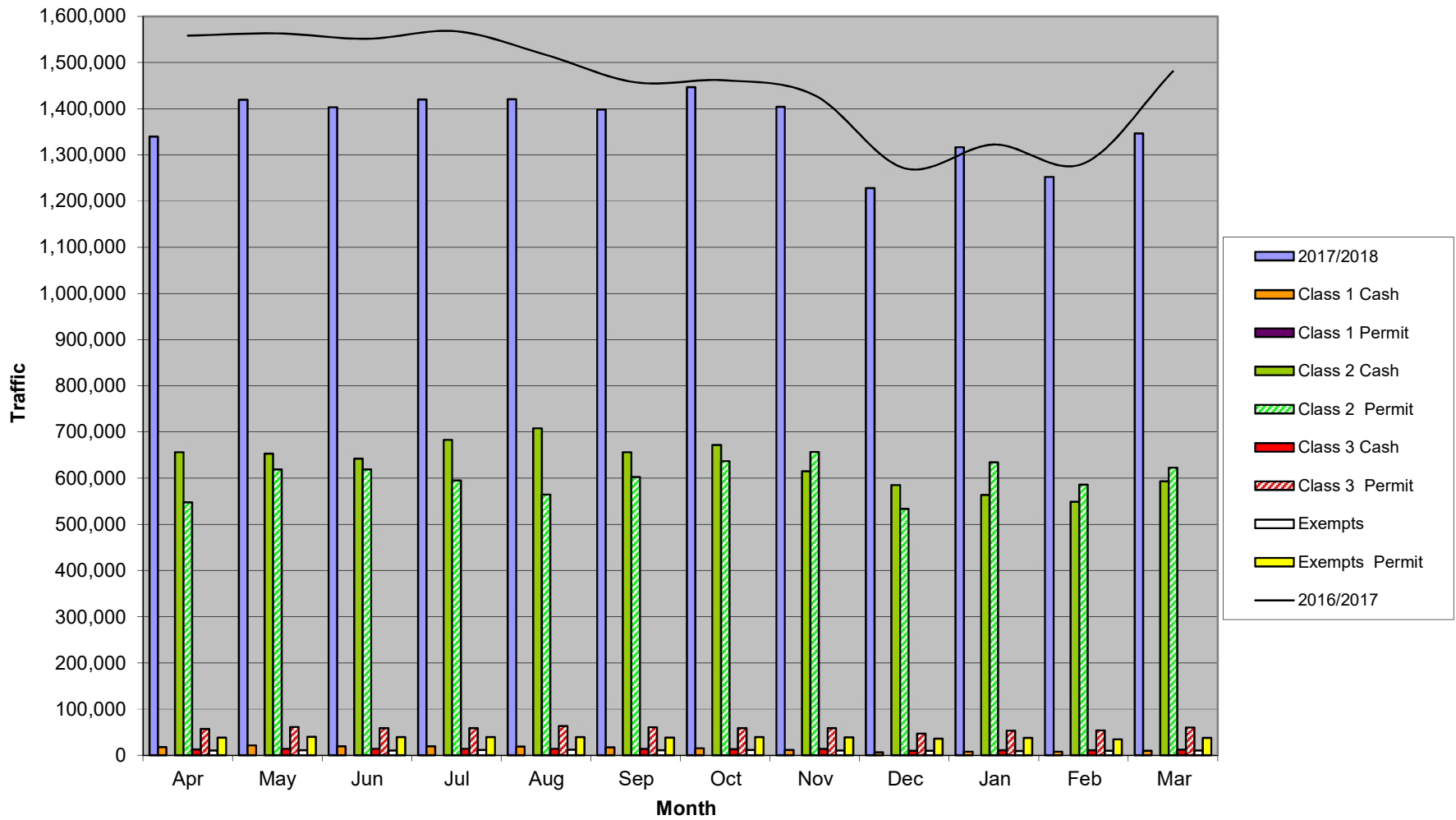
Graph A: TT2 Monthly Traffic Figures

### TT2 TRAFFIC FIGURES



Graph B: TT2 Monthly Traffic Figures by Vehicle Type

# TT2 TRAFFIC FIGURES Class, Cash, Permit



Graph C: TT2 Monthly Traffic Figures by Payment Type

### Tunnel Environmental Conditions

Title	April	May	June	July	August	September	October	November	December	January	February	March
2017/2018	April	May	June	July	August	September	October	November	December	January	February	March
CO												
CO Allowable [ppm]	35	35	35	35	35	35	35	35	35	35	35	35
Southbound Monthly Mean [ppm]	0.63	0.74	0.74	0.82	0.69	0.57	0.72	0.81	0.86	0.90	0.80	0.83
Northbound Monthly Mean [ppm]	0.96	0.90	0.99	0.88	0.89	0.98	0.76	0.74	0.70	0.66	0.67	0.81
Reduced Visibility												
Visibility Allowable [%Obs]	50	50	50	50	50	50	50	50	50	50	50	50
Southbound Monthly Mean [%Obs]	0.56	0.58	0.59	0.55	0.59	0.57	0.28	0.56	0.44	0.33	0.44	0.41
Northbound Monthly Mean [%Obs]	0.36	0.42	0.43	0.45	0.52	0.49	0.31	0.34	0.30	0.41	0.30	0.28
Nitrogen Monoxide												
Nitrogen Monoxide Allowable [ppm]	5	5	5	5	5	5	5	5	5	5	5	5
Southbound Monthly Mean [ppm]	0.26	0.30	0.30	0.33	0.28	0.31	0.33	0.36	0.35	0.28	0.29	0.35
Northbound Monthly Mean [ppm]	0.50	0.55	0.56	0.82	0.58	0.66	0.19	0.35	0.34	0.32	0.33	0.38

**Table 2: Environmental Data for the Tunnels.**

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# Tyne Pedestrian & Cyclist Tunnels



## Refurbishment Progress April 2018



Once the original fabric, tiles and panelling, in the tunnel was removed leaks and corrosion repairs were carried out.



The lining panel system to the inclined shafts and lower landings have now been completed to replicate the original appearance of the tunnels.





Specialist lifting equipment has been installed at the top of the inclined shafts to allow the installation of the new inclined lift to be carried out.

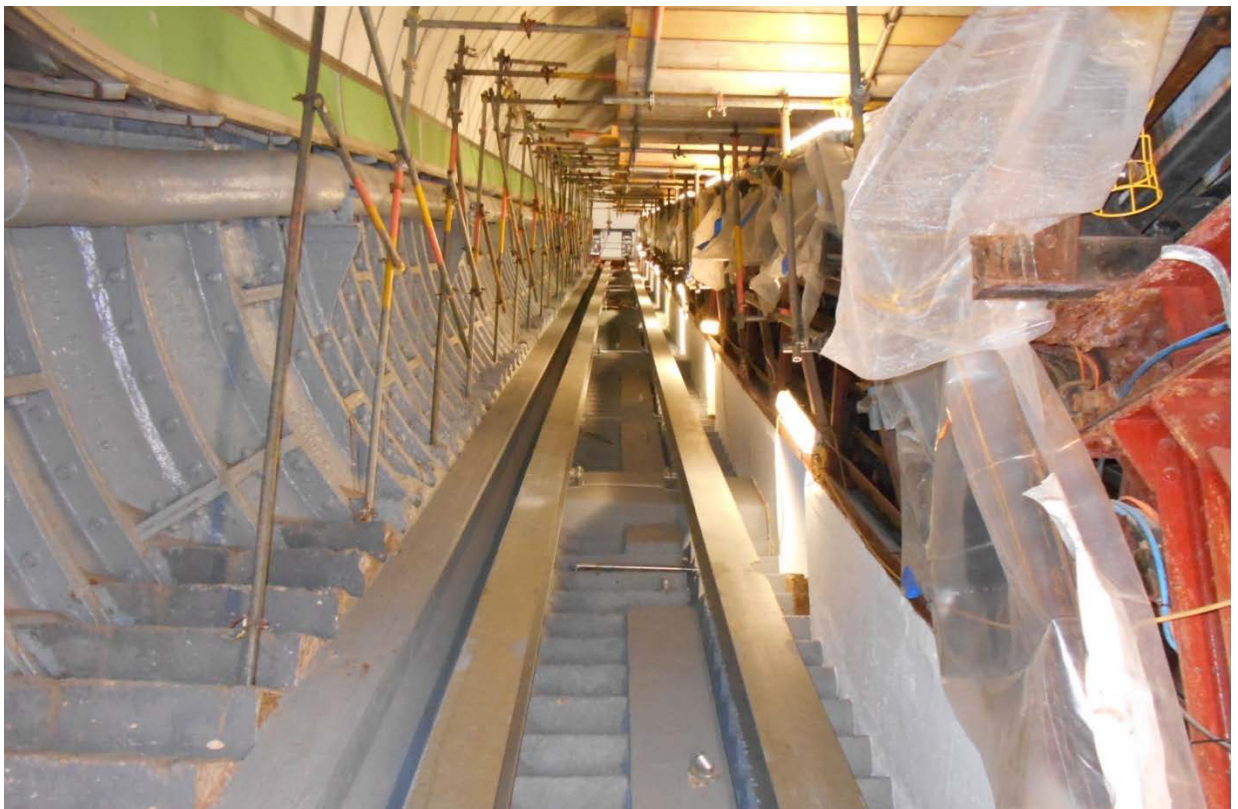


The steel rails which will carry the new inclined lift have to be lowered down the inclined shaft and fixed into position.





The rails to support the new inclined lift have been installed along with the motor and pulley wheels..

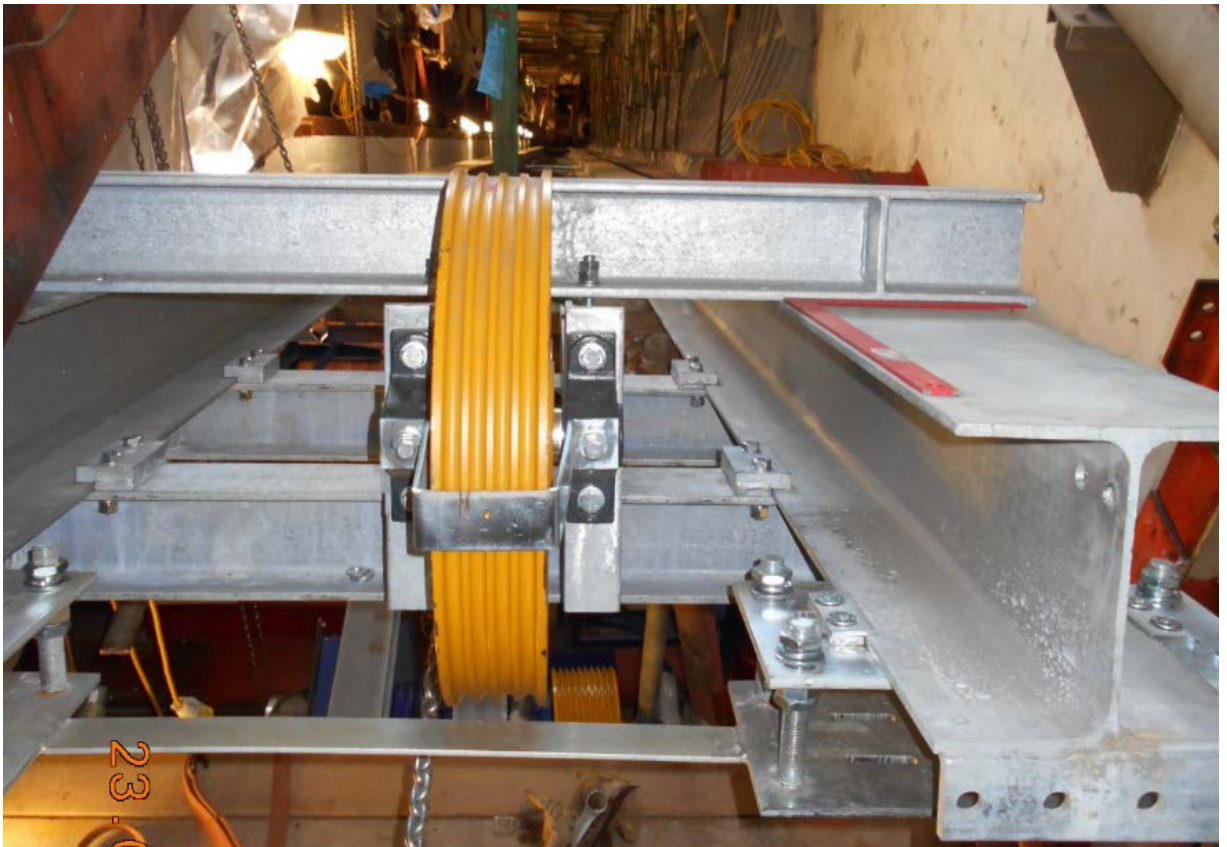


The rail track for the new inclined lifts have now been installed. The next operation will be to erect the lift car on to the rails.





The motor required to operate the new inclined lifts has been installed. This will be wired up to the control panel and the lift car will be installed.



The pulley system used to lower and raise the new lift car has been installed.





Tiling repairs to the crown of the tunnels have been completed and the trucking to carry all the new cabling, cctv, lights and PA equipment are being installed.

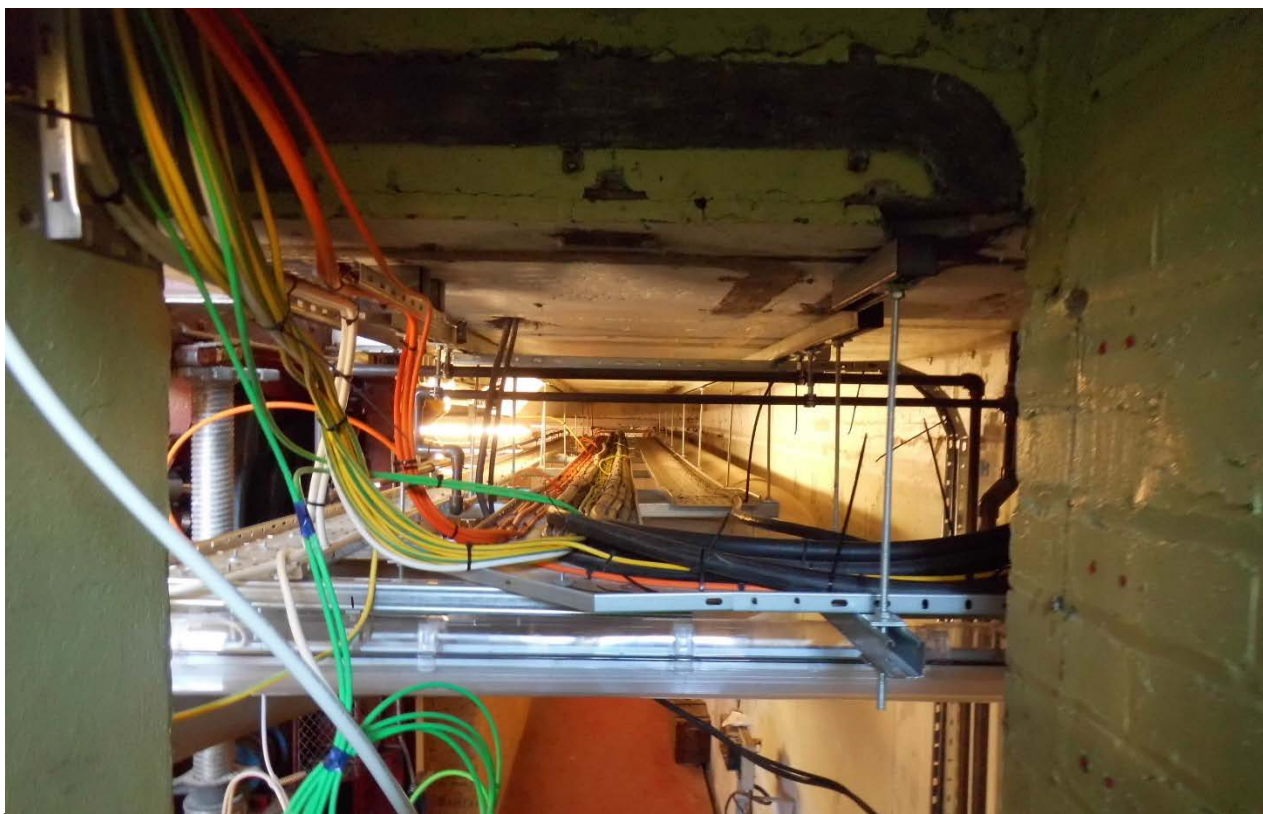


New ventilation ducts are being installed at the centre of the tunnels. Once these are complete the tiling can be replaced.





The tiling repairs are ongoing. Where possible we are trying to retain as many original tiles as possible.



Thousands on metres of new cabling are being installed to service the lifts, lights, cctv and PA systems within the tunnels.



Produced by  
North East Combined Authority  
c/o TT2 Limited, Tyne View Terrace  
Wallsend NE28 0PD

FOR MORE INFORMATION VISIT  
[www.tynepedestrianandcyclisttunnels.co.uk/](http://www.tynepedestrianandcyclisttunnels.co.uk/)



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of the Local Government Act 1972.

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