

Overview and Scrutiny Committee

APPROVED MINUTES

20 September 2018

(10.06 am - 12.06 pm)

Meeting held Committee Room, Gateshead Civic Centre, Regent Street, Gateshead, NE8 1HH

Present:

Independent Members: D Taylor-Gooby (Chair) S Hart (Vice-Chair)

Councillors: J Eagle, R Glindon, Cllr Sandra Graham, G Kilgour, D Snowdon, P Hunt, M Clarke, G Stone and A Ellison

10 APOLOGIES FOR ABSENCE

Apologies were received from Cllrs Crute (Durham), Patterson (Durham), Lower (Newcastle) and Flynn (South Tyneside).

The Chair confirmed that the meeting was not quorate and that any decisions taken would therefore be ratified at the next meeting.

11 DECLARATIONS OF INTEREST

Councillor Eagle declared an interest as an employee of Nexus and informed Committee that dispensation had been granted for him to take part in discussions of transport related items but that he would not be voting in decision making.

12 MINUTES OF MEETING HELD ON 15 MARCH 2018

The Committee reviewed the minutes of the previous meeting held on 15 March 2018 and those present agreed their accuracy.

RECOMMENDED – That the minutes be formally approved at the next meeting of the Committee.

13 NOTES OF INQUORATE MEETING HELD ON 16 JULY 2018

The Committee reviewed the notes of the inquorate meeting held on 16 July 2018 and those present agreed their accuracy subject to the following amendment: That Councillor Glindon be recorded as having submitted his apologies for the meeting.

RECOMMENDED – That the notes be formally approved at the next meeting of the Committee.

14 **MONITORING NEXUS' PERFORMANCE**

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

Tobyn Hughes (Managing Director Transport Operations) presented the report which provided a summary review of Nexus' performance against its Corporate Business Plan targets and objectives for 2017/18.

Officers advised that whilst there were continuing challenges in maintaining the ageing Metro fleet there had also been significant improvements in performance within recent months as reflected in the performance against key objectives outlined in paragraph 1.2 of the report.

Attention was drawn to the notable aspects set out in paragraph 1.3 of the report and the following key points were highlighted. The names of the companies bidding to deliver the new Metro fleet were now known. Metro Operations had been successfully handed back to Nexus – it was a transitional process, but significant progress had been made and it was proving to be beneficial in delivering a more efficient public transport service to passengers as all staff working on the Metro were now working to the same objectives. Uptake of the Pop Blue card had been very good with 4,000 card holders currently. Work was underway to target marketing of the card at the next generation of sixth formers and college students. Development of the Learning Centre in South Shields provided an opportunity to change the organisation's approach to learning and development. It also allowed an opportunity to use the new shed to operate early morning trains from South Shields without first having to bring them over the river from Gosforth, which would be of major benefit to customers and to the economy. It was anticipated that the new Metro and bus Interchange in South Shields would transform the passenger experience, especially on Great North Run day.

In discussion the following key points were noted.

- The Killingworth Road Bridge Renewal and Highway Improvement Scheme had provided a good opportunity to refurbish the Metro bridge and to remove a pinch point for traffic underneath the bridge. The work to replace the bridge had gone well and was completed on time, which marked the end of Nexus' involvement. The work to widen the road below was the responsibility of Newcastle City Council as the highways authority. Newcastle City Council had advised that gas works were ongoing and were anticipated to be completed by the end of October. It was expected that the road could then be reopened by the first quarter of 2019.
- There were 90 Metro cars in the current fleet. The intention was to replace these with 42 new longer cars, however these would be more reliable and would require much less maintenance and so there would be no need to have as many spares.

- The old Metro trains had no significant financial value due to their condition, the fact that they were bespoke to the Metro system and could not be used elsewhere, and because component parts were expensive to replace. Some of the old trains were earmarked to be given to heritage organisations, and it was anticipated that there may be bids made by museums for others. The remainder were likely to go for scrap. The winner of the bid to produce the new trains would be responsible for maintenance of the current fleet until it was replaced, and so would have made the final decision about what would happen to the remaining old trains.
- There will be a 'drop dead date' in the contract by which the new trains will be required to be delivered. It will be for the successful bidder to determine the speed of introduction of the new trains up to that point, although they will be incentivised to do so as quickly as possible.
- There had been a lot of feedback from members about wanting to ensure that the local labour market was exploited to produce the new Metro trains. It was not possible to specify that the trains must be built in the region, however bidders were required to demonstrate that they would work with the local supply chain and also that they would minimise their carbon footprint, which may reduce unnecessary shipping of parts and increase local opportunities.
- Defibrillators had been installed at Haymarket, Monument and Gateshead Metro stations, and the aspiration was to have them installed in as many stations as possible. The defibrillators needed to be regularly checked and maintained – Nexus were exploring the option of local community groups taking on responsibility for this and welcomed any offers of support in this regard. It was suggested that the construction of the new interchange in South Shields provided an ideal opportunity to install one there.
- The Pop Card could be used to pay for journeys made using the Metro, ferry and bus network. A scheme was being developed by Transport for the North (TfN) to introduce contactless payment on public transport across the whole of the North, and work on this was ongoing. Nexus were making efforts to keep up to date with new technology and were currently working with local and multinational firms to embed the Pop card on smartphones. This was in the process of being trialled with a limited initial roll-out planned for the new year.
- The grant received by Nexus from the NECA, funded by the levy on local authorities, had been under significant pressure, being either reduced or frozen each year, since 2012. As a result, there had been an agreed strategy for Nexus to use reserves to plug the gap and to keep frontline services operating. Work had been carried out to try to reduce the budget pressures, including a review of procurement and a staffing restructure. This, in conjunction with a recent pension re-evaluation, meant that it had been possible to protect frontline services without the need to use reserves in the last financial year, although reserves had been drawn down in previous years.

- Following the inability to proceed with the proposed Quality Contract Scheme work had been undertaken to develop a new bus strategy. There would be an opportunity once new governance structures were in place to review and refresh all transport policies. There had not yet been a need to withdraw any of the secured bus services, but the decline in passenger numbers on the overall bus network had accelerated and so the need to act had increased in urgency.
- The Managing Director Transport Operations had regular meetings with the Portfolio holder for Transport and Digital Connectivity, providing an opportunity to keep the Portfolio holder informed and for them to be able to advise and guide how matters were put forward to NECA committees.
- Nexus was required by legislation to have a Director General and at least three Executive Directors (known as 'members' in the Transport Act, although these could not be elected members of local councils), and to have the equivalent of a 'section 151' officer. It was accountable to the NECA, which held the responsibilities that previously fell to the Integrated Transport Authority (ITA). Political oversight was required, and this function was carried out by the Transport North East (Tyne and Wear) Sub-Committee on behalf of the NECA although some matters were reserved for consideration by the Leadership Board. Some functions were delegated to the Nexus Senior Leadership Team by the Leadership Board in addition to those already stipulated by the Transport Act. Nexus was independently audited. It no longer had a separate Executive Board as this was dissolved upon the creation of the NECA.
- The measurement of punctuality used by Nexus for the Metro was different to that used by the national rail network and so it was not possible to directly compare the two.
- Go North East and Stagecoach both offered a £1 single ticket for young people, and the Pop Blue card could be used to pay for that. However, there was no daily cap on bus fees paid for using the Pop card as there was for Metro fees.

The Chair congratulated Nexus officers on their efforts and thanked them for the report.

RECOMMENDED – That the report be received and comments noted.

[Councillor Hunt left the meeting at this point]

15 **NECA FORWARD PLAN AND SCRUTINY WORK PROGRAMME**

Submitted: Report of Monitoring Officer and Policy and Scrutiny Officer (previously circulated and copy attached to Official Minutes).

Nicola Laverick (Policy and Scrutiny Officer) presented the report which provided Members with an opportunity to consider the items on the Forward Plan for the

current 28-day period, to discuss items for the work Programme for 2018/19 and to review items considered as part of the NECA Decision Making process.

Officers advised that there had been positive feedback about the Decision Making Protocol and that it seemed to be working well. An update was provided on requests for decisions to be made using the Special Urgency and General Exception provisions since the last meeting.

Members were informed that the Centre for Public Scrutiny (CfPS) had been commissioned to draft parts of new statutory guidance on overview and scrutiny in local government that was to be published by the Government in December 2018. CfPS were seeking feedback on the content of the guidance in advance of this. Officers advised that this would be dealt with by each local authority individually and that it was not believed that NECA could add any value over and above what had already been submitted to the process.

In discussion the following key points were noted.

- It was felt that it would be helpful to have a seminar session for Members on new governance arrangements, at an appropriate time.
- Members expressed an interest in holding a workshop or half-day session to look in more detail at various elements of the work carried out by Nexus.

The Chair expressed his thanks to the officers who supported the Overview and Scrutiny Committee, which he felt was operating effectively.

RECOMMENDED – That the Forward Plan and Work Programme for 2018/19 be received and comments noted.

16 **DATE AND TIME OF THE NEXT MEETING**

Thursday 20 December 2018 at 10.00am.

17 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED – that by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 press and public be excluded from the meeting during the consideration of agenda items 8 and 9 (Confidential minutes of meeting held on 15 March 2018 and Major Projects Report) because exempt information was likely to be disclosed and the public interest test against disclosure was satisfied.