

## North East Joint Transport Committee

### APPROVED MINUTES

18 June 2019

Meeting held in the Reception Room, South Shields Town Hall, Westoe Road, South Shields, NE33 2RL

#### Present:

Councillor: M Gannon (Chair)

Councillors: P Jackson, C Johnson, J McCarty, C Marshall, G Miller and M Walsh

#### 1. APPOINTMENT OF CHAIR AND VICE CHAIR FOR THE MUNICIPAL YEAR 2019/20

**RESOLVED** – That the Joint Transport Committee:

- (i) Appointed Councillor Martin Gannon as its Chair for the municipal year 2019/20.
- (ii) Appointed Councillor C Johnson as its Vice Chair for the municipal year 2019/20.

#### 2. APOLOGIES FOR ABSENCE

Apologies were received from Mayor J Driscoll, Councillor I Malcolm and Mayor N Redfearn

#### 3. DECLARATIONS OF INTEREST

None.

#### 4. MINUTES OF THE PREVIOUS MEETING HELD ON 19 MARCH 2019

The minutes of the previous meeting were agreed as a correct record.

5. **APPOINTMENTS TO TYNE AND WEAR SUB COMMITTEE; JTC OVERVIEW AND SCRUTINY COMMITTEE AND JTC AUDIT COMMITTEE, INCLUDING THE APPOINTMENT OF CHAIRS AND VICE CHAIRS FOR THE MUNICIPAL YEAR 2019/20**

Submitted: Report of the Deputy Monitoring Officer (previously circulated and copy attached to the official minutes).

Members considered the report which sought the Joint Committee's:

- a) approval of the appointments to the Joint Transport Committee's Tyne and Wear Sub Committee, Overview and Scrutiny Committee and Audit Committee for the municipal year 2019/20;
- b) approval of the appointment of Chairs and Vice Chairs for the Joint Transport Committee's Tyne and Wear Sub Committee; and
- c) confirmation of the appointment of Chairs and Vice Chairs for the Joint Transport Committee's Overview and Scrutiny Committee and Audit Committee for the Municipal Year 2019/20.

**RESOLVED** – That the Joint Transport Committee:

- (i) Appointed the committee members for the municipal year 2019/20, as set out in Appendix A.
- (ii) Appointed Councillor G Hobson as Chair and Councillor C Johnson as Vice Chair of the Joint Transport Committee's Tyne and Wear Sub Committee for the municipal year 2019/20.
- (iii) Confirmed the appointments of David Taylor-Gooby as the Independent Chair and Andrew Clark as the Independent Vice Chair of the Joint Transport Committee, Overview and Scrutiny Committee for the municipal year 2019/20.
- (iv) Confirmed the appointments of Mark Scrimshaw as the Independent Chair and Dr Stuart Green as the Independent Vice Chair of the Joint Transport Committee, Audit Committee for the municipal year 2019/20.

6. **PROGRAMME OF COMMITTEE MEETINGS FOR THE MUNICIPAL YEAR 2019/20**

Submitted: Report of the Deputy Monitoring Officer (previously circulated and copy attached to the official minutes).

**RESOLVED** – That the Joint Transport Committee agreed the proposed programme of committee meetings as set out in Appendix A.

7. **REGIONAL TRANSPORT UPDATE**

Submitted: Report of the Managing Director, Transport North East (previously circulated and copy attached to the official minutes).

The report updated the Joint Transport Committee (JTC) on recent developments in transport affecting the LA7 area and included information regarding the Go Ultra Low (GUL) North East programme; providing evidence to the Williams Review; engaging in proposals to improve rail links through the HS2 rail link and Northern Powerhouse Rail; Transforming Cities Fund (TCF) Tranche 2 bid (see minute for further details); North East transport Plan; Metro Patronage; a campaign strategy which is being formulated to highlight the current problems with the East Coast Main Line, and to promote the need to invest in the line in the region and the Local Growth Transport Programme.

Members in discussion noted the continuing poor performance of the Northern Rail franchise, with reference to unmet targets and commitments and the importance of the Northern Rail Partnership and this Joint Committee holding Northern Rail to account.

**RESOLVED** – That the Joint Transport Committee noted the contents of the report.

#### 8. **CAPITAL PROGRAMME 2018/19 OUTTURN**

Submitted: Report of the Chief Finance Officer (previously circulated and copy attached to the official minutes).

The report provided the Joint Transport Committee with details of the 2018/19 Transport capital programme outturn position. Total capital expenditure during 2018/19 on Transport schemes was £61.818m, against the revised programme budget of £65.359m. Outturn spending was therefore c95% of the revised programme budget. Underspending related mainly to slippage on some schemes, which will be reflected in the updated 2019/20 programme. The capital financing tables have been amended in the final accounts to reflect the revised capital expenditure and therefore differed from those set out in the report.

**RESOLVED** – That the Joint Transport Committee noted the 2018/19 Transport capital programme outturn position.

#### 9. **REVENUE BUDGET 2018/19 OUTTURN**

Submitted: Report of the Chief Finance Officer (previously circulated and copy attached to the official minutes).

The report provided the Joint Transport Committee with details of the outturn position in relation to the 2018/19 Transport Revenue Budget.

The outturn position for the year was positive, with expenditure within the revised budget against all budget heads. Where grants were paid to other organisations for the delivery of transport services (i.e. Durham, Northumberland and Nexus), the grant was fixed for the year and details were provided of how the grant has been applied to the provision of public transport services. Underspends against the budgets for the three main organisations delivering transport services on behalf of the Joint Transport Committee are retained within the reserves of these organisations and will be taken into account in the setting of the transport budgets for future years.

Total transport reserves (held on behalf of the Joint Transport Committee to manage risk and to fund specific activity in future years) have increased from £35.265m to £37.678m. The majority of these are earmarked for specific purposes, such as to meet the local contribution required for the Metro Asset Renewal programme and the new Metro Fleet.

**RESOLVED** – That the Joint Transport Committee noted the revenue budget 2018/19 outturn position.

#### 10. **NEXUS FLEET REPLACEMENT PROGRAMME**

Submitted: report of the Managing Director, Transport North East (previously circulated and copy attached to the official minutes).

The report provided the Joint Transport Committee with an update on the procurement process associated with Nexus' Fleet Replacement Programme. Nexus have completed the first of two phases of their procurement process for the new Metro fleet, new maintenance facility and fleet maintenance contracts and have begun the second phase of the procurement (Best and Final Offer phase) with three tenderers, namely CAF, Hitachi Rail Limited and Stadler, who will now compete to become Nexus' preferred tenderer.

Contracts are expected to be awarded in January 2020 following DfT approval of Nexus' Final Business Case and this will lead to the first new train being delivered in late 2021.

**RESOLVED** – That the Joint Transport Committee noted the progress made.

#### 11. **NORTH EAST TRANSFORMING CITIES FUND BID – UPDATE**

Submitted: Report of the Lead Chief Executive for Transport (previously submitted and copy attached to the official minutes).

The report provided details of the Strategic Outline Business Case (SOBC) prepared to support a bid from the North East region for funding from the Government's Transforming Cities Fund (TCF). This represents the region's second bid for TCF funding, from the Tranche 2 allocation, following the successful Tranche 1 bid submitted in January 2019. The SOBC demonstrates how an ambitious investment programme will be a strategic driver for economic, social and environmental improvement.

In line with DfT requirements the TCF Bid included High Cost (total TCF ask of £377.3m), Medium Cost (total TCF ask of £359.9m) and a Low Cost (total TCF ask of £331.1m) programmes of works. The programme has been developed in line with bidding requirements and has been developed based on collaborative working between the Regional Transport Team, Nexus and the individual local authority Economic Directors and Transport Leads.

The programme offers economic, social and environmental benefits that significantly outweigh its construction costs, showing that this investment in our region will deliver high value for money.

**RESOLVED** – That the Joint Transport Committee:

- (i) Approved submission of the North East Region's draft Transforming Cities Fund Tranche 2 bid to the Department for Transport, based on the programme of schemes set out in Appendix 2 and described in the draft Strategic Outline Business Case summarised in Appendix 3; and
- (ii) Agreed that any final amendments to the draft SOBC required, including improvements in drafting, updates to information from consultants, and other minor points of presentation, prior to submission to DfT, be delegated to the Committee Chair.

12. **DISCHARGE OF TRANSPORT FUNCTIONS BY DURHAM COUNTY COUNCIL**

Submitted: Report of Durham County Council Portfolio with responsibility for Transport (previously circulated and copy attached to the official minutes).

The report provided details of how Durham County Council has discharged the transport functions delegated to it by the Joint Transport Committee for the 2018/19 municipal year.

**RESOLVED** – That the Joint Transport Committee noted the report.

13. **DATE AND TIME OF NEXT MEETING**

16 July 2019 at 2.00pm.