

Joint Transport Committee Tyne and Wear Sub-Committee

Thursday, 8th July, 2021 at 2.00 pm

Meeting to be held in the Lamesley Room, Gateshead Civic Centre, Regent Street, Gateshead, NE8 1HH

AGENDA

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1. Apologies for Absence	
2. Declaration of Interests	
Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (and submit it to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this	
3. Minutes of the last meeting held on 8 April 2021	3 - 10
4. Legislation changes for the Tyne Pass Scheme at the Tyne Tunnels	11 - 54
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6. Metro Fleet Replacement Programme	69 - 84
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9. Nexus Corporate Risk Register 2021/22	103 - 144
10. Date of the next meeting	

The next meeting will take place on Thursday 8 September at 2pm.

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**JOINT TRANSPORT COMMITTEE, TYNE AND WEAR SUB-COMMITTEE
DRAFT MINUTES FOR APPROVAL**

DATE: 8 APRIL 2021

Meeting held virtually via Microsoft Teams and streamed live on YouTube

Committee Members Present:

Councillor: G Hobson (Chair)

Councillors: C Johnson, J McCarty, J McElroy and P Stewart

In attendance:

Statutory Officers: M Barker (Monitoring Officer – Transport)
T Hughes (Managing Director, Transport North East)
P O'Reagan (Principal Accountant, NECA)

Officers: F Bootle, P Dowling, M Jackson, M Kearney, K Leng,
H Mathews and E Reynard

1. APOLOGIES FOR ABSENCE

Apologies were received from Councillor G Miller.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 14 JANUARY 2021

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

4. TYNE TUNNEL UPDATE

The Committee considered a report which provided an update on the management and operation of the Tyne traffic, pedestrian and cyclist tunnels.

Traffic Tunnels

Traffic through the tunnels has remained at around 70-75% of pre-covid levels during March 2021. It is hoped that increases in traffic levels will occur at each stage of the easing of lockdown measures as the Government's roadmap is implemented. However, it is also recognised that working arrangements will have changed permanently with many people continuing to work at home which will mean fewer journeys overall.

As a result of this, there is continued reduction in revenue. Officers continue to work with TT2 to monitor its financial position and put in place measures to mitigate the effects of the shortfall.

The promotion of pre-paid accounts continues to be effective with 67.8% of journeys through the Tunnels being paid for in this way. It is hoped that when the Tyne Pass barrierless system is in place at the end of the year, that the number of pre-paid account holders will have increased to 80%.

Signage for the Tyne Pass scheme is currently in development and it proposed that pink or purple are used for the signs on the approaches to and at the Tunnels to ensure that the signage is more noticeable than usual green traffic signs.

The 'Pay Later' service has been offered to customers using the Tunnels as an option since May 2020 and take up has been higher than expected. The system enables customers to pay the toll up to 48 hours after their journey. Customers who do not pay on time can incur additional charges of up to £170 if they continually fail to respond to requests for payment. A contact centre has been established to provide a customer service helpline for users which is open seven days a week.

TT2 have received both positive and negative feedback on Pay Later from customers. Although many users find the system to be efficient and easy to use, there are some customers who have complained on social media regarding the additional charges incurred due to the toll not being paid on time.

It was noted that one dissatisfied customer has written to the Committee and asked for his concerns to be considered.

The Committee were also reminded that the agreed toll increase for Class 2 vehicles will be implemented on 1 May 2021.

Tyne Pedestrian and Cyclist Tunnels

The Tunnels continue to remain open for 24 hours and it is anticipated that this will continue throughout 2021 with regular updates being provided to the Committee.

Overall use of the Tunnels has increased over the last twelve months by more than 100 users per day. Cycling has increased dramatically with pedestrian use falling.

The completion and certification of the inclined lifts remains outstanding. Maspero, the company that installed the lifts, are based in Italy and have been unable to travel to the UK due to covid restrictions. However, Maspero agreed that a UK company could be engaged to carry out a survey to establish the works required to bring the lifts into operation. The survey has been undertaken and options are now being considered to establish the most effective way to complete the works.

Councillor Hobson acknowledged that the letter of complaint from the Tyne Tunnel user had been received and it was agreed that officers would consider all of the points raised and provide a response.

Councillor McElroy added his support for the issues in the letter to be investigated and thanked the customer for raising their concerns. He added that he thought the proposed signage for the traffic tunnels was clear, straightforward and noticeable. He also welcomed the proposal to continue with 24 hour opening in the pedestrian and cyclist tunnels but added that the lifts needed to be fully functional as soon as possible.

Cllr McElroy also thanked Fiona Bootle for her continued work trying to rectify the inclined lifts issues. He added that lots of people continue to use and appreciate the pedestrian and cyclist tunnels but asked whether there was any scope to promote use of this valuable asset now that the weather is beginning to change for the better?

Councillor Hobson suggested that the press and media could assist with promotion of the pedestrian and cyclist tunnels.

RESOLVED: The Tyne and Wear Sub-Committee:

- (i) Noted the contents of the report and the updates on the traffic, pedestrian and cyclist tunnels; and
- (ii) Asked officers to investigate the concerns of the customer who had written to the Committee and provide a response.

5. METRO RECOVERY PLAN

The Committee received a presentation which outlined the Metro Recovery Plan. Four themes have been identified:

- Passenger Reassurance
- Flexibility for new journey patterns
- Attracting new customers
- Capitalising on our capital programme

The recovery plan timeline is aligned with the Government's roadmap for the easing of restrictions. From Sunday 11 April, a full Metro timetable will be introduced as it is expected that there will be a change in patronage on Metro from 12 April when the next stage of restrictions is lifted.

Analysis has shown that currently patronage on Metro is at 30% of pre-pandemic levels due to changes in the way people work and shop. However, it appears that the weather also has a part to play in making journeys for leisure purposes – when the weather improved last week, patronage increased to 44%, before dropping back and stabilising at 30%.

Messaging has also remained consistent with Government guidance and has aimed to provide reassurance to customers that Metro is a safe way to travel. Messages have been placed on trains and in stations, and across different media outlets including social media. The messages have encouraged customers to use face coverings as well as providing details of the cleaning regimes on Metro and in stations.

A Customer Support and Engagement Team has also been established who work with the Police and local authorities. The team provide visible support in stations and provide further reassurance for passengers using Metro.

New ways to pay for journeys and car parks have also be introduced so that payments can be made electronically using a mobile phone. The Metro app also enables customers to log their journey which assists with providing data on capacity on trains, ensuring that journeys are safe and allowing customers to make an informed choice of when to travel.

Three further marketing campaigns are planned with the first one beginning this week which are focussing on the increased timetable and promoting the message that Metro is a safe way to travel. Nexus has also been working with employers, providing virtual drop in sessions and a virtual tour of Metro for new users.

Step 2 of the campaign is planned to take place from the end of May and aims to remind customers of how Metro can be used to connect to experiences that have been missed during the lockdown.

It is hoped that if all restrictions are lifted by the Government on 21 June, that step 3 of the marketing campaign can begin in mid-July, with the relaunch of the 'take the kids for free' offer and actively encouraging travel for leisure.

Councillor Hobson thanked officers for the presentation which she felt provided reassurance for customers. She was pleased that the 'take the kids for free' offer would be reintroduced.

Councillor McElroy commented that there had been mixed messages from the Government regarding use of public transport. Although new activities are allowed from Monday, there has not been any acknowledgement that public transport is a safe way to travel. He felt that encouraging use of public transport should be high on the Government's agenda and that people should be discouraged from using personal cars.

Helen Mathews acknowledged that there will be an uphill struggle to encourage customers to use public transport and noted that road traffic is currently back to pre-covid levels. Nexus would not be encouraging people to make unnecessary journeys as per Government guidance; however, the message will continue to be reinforced that Metro is a safe way to travel.

Councillor Hobson suggested that help was needed from the press and media to encourage use of public transport and promote the customer support, cleaning regime and contactless payments that have been introduced.

RESOLVED: the Tyne and Wear Sub-Committee noted the presentation.

6. CORPORATE BUSINESS PLAN PERFORMANCE UPDATE

The Committee received a report which provided an updated on Nexus' performance against its Corporate Business Plan from 8 November 2020 to 30 January 2021.

The impact of the pandemic continues to be felt across the organisation with significant impacts on revenue and patronage. Patronage is down 75% against the same period last year with revenue 72.7% below target. Revenue continues to be fully compensated by the Department for Transport in the form of Light Rail Revenue Restart Grant (LRRRG) which will continue until 21 June 2021.

A full timetable will be introduced on 11 April, in anticipation of the relaxation of restrictions from 12 April 2021. This has been made possible due to 27 new drivers completing their training and passing into full service.

Metro punctuality has improved over the last three periods and increased to 91.3% in period 11 which is the highest rate since 2017. However, it was acknowledged that this improvement was assisted by the introduction of the reduced winter timetable and fewer passenger numbers, but this was still a great achievement.

November's Metro Customer Satisfaction Survey provided a score of 7.48% which was a drop of 0.42%. The satisfaction scores for helpfulness, approachability and professionalism of staff reached the highest ever scores.

Scores relating to information during disruption and arrival and departure information dropped reflecting the impact of the disruption in late October and early November.

Ferry patronage continues to be severely impacted by the lockdown measures with a 60.9% reduction in passenger numbers over the three periods. Ferry revenue was 81.12% below target but this is being partly compensated for by funding from the Ministry of Housing, Communities and Local Government (MHCLG).

The Pop app was introduced in November which enables passengers to use their mobile phone to purchase and store weekly Metro saver tickets. Work on a mobile ticketing solution for adult Pay As You Go tickets is progressing and is expected to be launched in Spring 2021.

Councillor McCarty acknowledged that the driver recruitment programme had contributed to the reintroduction of the full timetable. She was also pleased that the work of the Customer Support and Engagement Team had been acknowledged. Councillor McCarty also felt that it was good that the current ageing fleet was able to achieve such good punctuality rates but asked how Nexus can ensure that the levels can be maintained when the full timetable is reintroduced?

Councillor Hobson noted that figures for Ferry operations have been impacted by the Ferry landing being out of service but acknowledged that a new landing is planned. She was also pleased to see that recruitment for ten new apprentices had started in January.

Martin Kearney commented that there had been a record number of applications and was pleased that Nexus was continuing to drive for a diverse workforce.

RESOLVED: The Tyne and Wear Sub-Committee noted the report.

7. NEXUS CORPORATE RISK REGISTER

The Committee received a report which provided an update on the Nexus Corporate Risk Register for 2021/22 based on the approved Corporate Plan and demonstrates that these risks are being properly managed and controlled.

Three new risks have been added to the register – Relocation of the North Shields Ferry Landing, Anti-Social Behaviour and Patronage Recovery. One existing risk – Frontline Services and Discretionary Travel Schemes has now been split into two separate risks for Metro and non-Metro Services reflecting the budget position.

The Customer Facing Technology risk has been renamed 'Products and Payments Offer' to reflect the changing risk profile.

Councillor McCarty noted that the number of risks were increasing but accepted that this was due to the covid pandemic. She commented that it would be good if the Government could confirm long-term funding arrangements which would provide security for Nexus. Councillor McCarty was also pleased to note the

introduction of more smart products but felt that these needed to be flexible to allow planning for the future

RESOLVED: The Tyne and Wear Sub-Committee noted the report.

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North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021

Subject: Legislation changes for the Tyne Pass Scheme at the Tyne Tunnels

Report of: Managing Director, Transport North East

Executive Summary

This report seeks approval for the legislation changes which are necessary for the implementation of the Tyne Pass barrierless tolling scheme at the Tyne Tunnels, as agreed by the Sub-committee at its meeting on 10 September 2020. The changes required are modifications to the River Tyne (Tunnels) Order 2005, an amendment to the River Tyne (Tunnels) (Revision of Tolls) Order 2021 and revision of the Tyne Tunnels Byelaws 2020.

The changes are intended to update the legislation in line with the Tyne Pass barrierless payment system which is being implemented during 2021. The amendments will have the effect of updating the legislation to remove references to cash payments at the toll plaza, to amend vehicle classifications in line with DVLA criteria and to modify disabled persons' toll exemptions to enable the barrierless system to operate. A public consultation has been carried out in the relation to the changes to the disabled persons' toll exemptions.

Recommendations

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

- i. Note the responses and feedback received as a result of the public consultation carried out in relation to disabled toll exemptions at the Tyne Tunnels;
- ii. Approve the continuation of both of the existing toll exemptions for disabled users of the Tyne Tunnels which apply to:
 - a) DVLA registered tax exempt disabled vehicles and
 - b) Blue Badge holders;

and approve the operation of a scheme for registration on ANPR systems of one vehicle by each Blue Badge holder to implement the Blue Badge exemption (as opposed to the display of a Blue Badge at the toll barrier);

- iii. Approve the amendments to legislation proposed to allow implementation of the Tyne Pass Scheme, the details of such amendments to be agreed by the Monitoring Officer (Transport) following consultation with the Managing Director, Transport North East and the Chair of the Sub-committee;
- iv. Authorise the proper Officer for Transport, Monitoring Officer (Transport) and the Chief Finance Officer to progress the statutory process for amending and updating the legislation required for the Tyne Pass barrierless tolling scheme to be implemented.

1. Background Information

- 1.1 The Tyne Tunnels are jointly owned by the North East Combined Authority (NECA) and the North of Tyne Combined Authority (NTCA). The Tyne Tunnels receive no government or local funding and costs are met from the tolls charged to users of the vehicle tunnels.
- 1.2 TT2 Ltd as Concessionaire is responsible for the day-to-day management and operation of the Tunnels, in accordance with the Project Agreement which is in place from 2007 to 2037. This is monitored by the Tyne Tunnels Manager on behalf of NECA (as accountable body for the Joint Transport Committee (JTC)).

Tyne Pass Scheme

- 1.3 The Tyne Pass Scheme for barrierless tolling has been approved by this sub-committee (10 September 2020) and is being implemented in stages, with the final stage and 'Go-Live' date programmed for November/December 2021. The scheme aims to modernise the toll payment system and reduce emissions / improve air quality, upgrading it from a largely barrier stop and pay cash based system to a barrierless free-flow system. More details on the implementation of the scheme are set out in previous reports to this sub-committee and in the Tyne Tunnels Update report presented to this meeting.

2. Necessary changes to legislation for Tyne Pass

- 2.1 At a previous meeting of this sub-committee in September 2020 members approved the implementation of the Tyne Pass Scheme itself and approved the changes required to Tyne Tunnels policy which are required for technical reasons to allow the operation of a barrierless free-flow traffic system using ANPR cameras. At the meeting on 10 September 2020 Committee members:
 - i) approved the amendment of the criteria in relation to vehicle classification for Class 3 vehicles;
 - ii) agreed in principle that the existing disabled persons' exemption criteria could be amended to allow the Tyne Pass Scheme to progress, on the basis that the decision on the detail of future disabled person's exemption criteria would be taken at a later

meeting and;

iii) authorised officers to progress the statutory process for amending the Tyne Tunnels Byelaws and the Tyne Tunnels Order to reflect the new payment system.

2.2 Since that meeting officers have progressed the statutory process required for amending the legislation and have carried out a public consultation on the issues relating to the change to disabled exemptions. Details of the public consultation are set out below and in the attached report: Response and Feedback to Consultation on Disabled Exemptions at the Tyne Tunnels (Appendix A).

2.3 The changes which are required to the relevant secondary legislation and byelaws are minor modifications to the River Tyne (Tunnels) Order 2005, an amendment to the River Tyne (Tunnels) (Revision of Tolls) Order 2021 and revision of the Tyne Tunnels Byelaws 2020. These changes are intended to update the legislation generally, to remove references to cash payments at the toll plaza, to amend the vehicle classifications in line with DVLA criteria and to modify disabled persons' toll exemptions to enable the barrierless system to operate.

2.4 The legislation amendments have been drafted on the advice of specialist legal Counsel and officers are now in a position to progress the statutory process with the Department for Transport. This process will take several months, therefore a decision from members is required now on the disabled exemptions to allow the legislation to be put in place for the full Tyne Pass barrierless scheme to 'go-live' in November/December 2021.

Why is a change necessary to Blue Badge disabled exemptions?

2.5 The current Blue Badge process requires the holder to physically show a badge to a staff member to prove the exemption and pass through the barrier. Under the barrierless free-flow Tyne Pass system, automated number plate recognition (ANPR) cameras will be used to implement tolling and classify vehicles which are exempt from tolling. The toll barriers will not be there and ANPR cameras cannot register and classify a person inside a vehicle displaying a Blue Badge at the window. It is therefore necessary to make changes to the Blue Badge exemption.

Current position - Tyne Tunnels disability exemptions

2.6 There are currently two types of disabled person exemption at the Tyne Tunnels:

i. Registered Disabled person's vehicle (tax exempt vehicles)

This is an exemption for vehicles which are registered with the DVLA as belonging to a disabled person and who qualify for an exemption from vehicle tax.

To qualify for this a person needs to receive the higher rate mobility component of Disability Living Allowance (DLA) or the enhanced rate mobility component of Personal Independence Payment (PIP). The vehicle must be registered in the disabled person's name or their nominated driver's name.

As the vehicle is registered with the DVLA, this type of exemption CAN be continued at the Tyne Tunnels using ANPR cameras in a barrierless free flow system.

ii. Blue Badges exemption

This is an exemption via the Blue Badges Scheme which is intended to provide a range of parking benefits for disabled people with severe walking or mobility difficulties who travel either as drivers or as passengers.

Once a Blue Badge is issued, the holder can register their vehicle with TT2 for an exemption permit or can simply carry the Blue Badge in the vehicle and show it to a TT2 staff member at the barrier.

This type of exemption CANNOT be continued in the same way using ANPR cameras in a barrierless free flow system. It is therefore necessary to make changes to the Blue Badge exemption.

Public Consultation on options for disabled persons' toll exemptions

2.7 A public consultation took place from 17th February to 14th April 2021. This was publicised via a dedicated page created on the Transport North East website for the consultation. The webpage included:

- Full consultation document
- An online survey
- Details of email and telephone contact information
- An easyread version of the consultation document
- An audio version of the consultation document

2.8 In order to publicise the consultation and reach out to as many people as possible, a multi-channel approach was used, including:

- Posts on Transport North East social media channels throughout the consultation period;
- Information and an online survey were made readily available via www.transportnortheast.gov.uk;
- A dedicated email address and phone number signposted in the consultation document all queries for feedback;
- Newspaper adverts across regional outlets via print and online, with digital impressions figures suggesting a reach of 50009 people;
- TT2 advertising board at the Tyne Tunnels;
- TT2 monthly newsletter sent out by email to customers;
- E-mails to key stakeholders; and
- Engagement with local disability groups via email, phone and social media who agreed to promote the consultation and to encourage their members to take part.

2.9 The survey asked for tunnel users' views and experiences and focused on two potential options which had been proposed to this committee in September 2020.

Option 1: Retain the DVLA registered disabled exemption and remove Blue Badges

exemption. Blue Badge holders would no longer be exempt from paying the Toll. Only tax-exempt DVLA registered disabled users would be able to register their vehicles for an exemption.

Option 2: Continue Blue Badges exemption with mandatory registration of a vehicle. Blue Badge holders would apply to register one vehicle number plate on TT2 systems and would therefore continue to be exempt from paying the Toll when using the registered vehicle.

Under all options the ability to present a Blue Badge in person at the barriers would no longer be possible.

2.10 Responses were received from 226 respondents who made over 700 comments. The overwhelming response was that Option 2 was the preferred option (73.3%) and that most respondents favoured the retention of both types of disabled exemption. There was also strong support for the fact that the Tyne Pass will make journeys quicker and easier for disabled people and support for the environmental benefits that the Tyne Pass will bring in terms of reduced congestion and carbon emissions.

2.11 Respondents provided detailed and useful feedback on how they use their exemption currently for hospital appointments, travelling to work and social visits. They valued the financial benefit and the accessibility provided by the exemption. Some raised concerns as to how the registration scheme would work in practice and raised a concern about only being able to register one vehicle if they wanted to travel in several different vehicles. The attached 'Consultation Feedback and Response' document provides more information on the responses and how feedback has been addressed.

Comparison with other UK toll operators

2.12 Various approaches are taken by toll operators, but the majority are strict in their approach and only allow tax exempt DVLA registered disabled exemptions. Some put in place their own 'Mobility Scheme Permit' with their own criteria to apply for an exemption. Some examples are:

- *Dartford Crossing (Kent)* - no Blue Badge exemption, only exemption is for registered disabled tax-exempt vehicles
- *Humber Bridge (Hull)* - no Blue Badge exemption, only exemption is for registered disabled tax-exempt vehicles
- *M6 Toll (Birmingham)* - no Blue Badge exemption but a 'Mobility Permit' is available on application which relates to receipt of certain disability benefits
- *Mersey Tunnels (Liverpool)*- no Blue Badge exemption but a 'Mobility Permit' is available on application which relates to receipt of certain disability benefits and allows up to 40 journeys per year.
- *Mersey Gateway Bridge (Widness and Runcorn)* – allows exemption for one registered Blue Badge vehicle per badge holder.
- *Tamar Bridge (Plymouth)* - no Blue Badge exemption but a 'Mobility Permit' is available on application which relates to receipt of certain disability benefits.

Recommendations

- 2.13 The recommendation to this sub-committee is to approve a decision to seek changes to the legislation to allow both DLVA registered disabled vehicles and Blue Badge holders' vehicles to continue to be exempt from paying the toll and to allow them to register one vehicle on the ANPR systems via a registration scheme. This will enable them to pass through the Tyne Tunnels without stopping and without paying a toll for their journey. This will align the way they use the Tyne Tunnels with other users, removing the requirement to stop and interact with staff.
- 2.14 It is proposed that there be no limit on the number of journeys per Blue Badge user and no requirement to live in the region to benefit from this scheme. It is considered that in comparison to other toll operators in the UK, this is a generous scheme to benefit disabled people.
- 2.15 There is a further recommendation to approve the amendments to legislation proposed to allow implementation of the Tyne Pass Scheme, the details of such amendments to be agreed by the Monitoring Officer (Transport) following consultation with the Managing Director, Transport North East and the Chair of the Sub-committee.

3. Reasons for the Proposals

- 3.1 These proposals are made to enable the necessary legislation to be amended, to allow the Tyne Pass Scheme to be implemented. The Tyne Pass system is intended to modernise the Tyne Tunnels payment system, reduce journey times, reduce carbon emissions and create new jobs in the region.
- 3.2 The proposal to amend the disabled exemptions legislation is necessary to allow disabled users to continue to benefit from free passage through the Tyne Tunnels when the new Tyne Pass scheme operates via the use of ANPR cameras, rather than traditional toll booths.

4. Alternative Options Available

- 4.1 An alternative option available would be remove the disabled exemption for Blue Badge holders in line with most other toll operators in the UK. However, this option is not recommended as public consultation has been carried out which suggests that disabled users rely on the exemption and would suffer financially if it was removed.
- 4.2 Another alternative would be to allow the registration of more than one vehicle per Blue Badge holder: however, this option is not recommended as it will require an increase in current funding and is likely to increase the risk of fraud as it may result in more vehicles passing through the Tunnels on journeys when the Blue Badge holder is not in the vehicle.

5. Next Steps and Timetable for Implementation

- 5.1 The process for amendment of the legislation requires an application to the DfT for

amendment of the River Tyne (Tunnels) Order 2005, an amendment to the River Tyne (Tunnels) (Revision of Tolls) Order 2021 and revision of the Tyne Tunnels Byelaws 2020.

5.2 The process for amending each type of legislation is slightly different and must follow the relevant statutory procedures. The processes are likely to take between 3 and 9 months depending on whether queries and objections are raised by the DfT or other parties. To amend the River Tyne (Tunnels) Order 2005 an application is made to the Secretary of State under the Transport and Works (Applications and Objections Procedure) (England and Wales) Rules 2006. These rules set out the process to amend a Transport and Works Act Order. The Tyne Tunnels Byelaws amendments process is set out in the River Tyne (Tunnels) Order 2005. This is a simpler process and requires the Secretary of State to confirm the byelaws once they have been made. Similarly to the byelaws, the amendment to the River Tyne (Tunnels) (Revision of Tolls) Order 2021 also requires submission to the Secretary of State. There will be statutory notices that will be published with an opportunity for all the documents to be inspected at the appropriate stages during the amendment processes.

6. **Potential Impact on Objectives**

6.1 The Tyne Pass scheme provides significant environmental benefits which contribute to the Combined Authorities' objective to improve air quality, reduce carbon emissions and reduce traffic congestion. This is also in line with the Transport Plan objectives and the Combined Authorities' objectives to respond to the Climate Change Emergency which has been declared by all constituent authorities.

6.2 The Tyne Pass scheme creates new jobs for local people which contributes to the Combined Authorities' objectives to improve employment opportunities in the region and reduce levels of unemployment.

6.3 The continuation of the disabled exemptions at the Tyne Tunnels means that a benefit is provided for disabled people in the region which contributes to the equality objectives of the Combined Authorities. This is also in line with the Transport Plan objective to 'overcome inequality and grow our economy'.

7. **Financial and Other Resources Implications**

7.1 Capital expenditure requirements for the Tyne Pass scheme are to be met by TT2. The additional operating costs arising from the new systems required will be met by TT2 from toll and enforcement income.

7.2 It is not anticipated that the amendments to the disabled exemptions will have a material impact on the levels of tolls received at the Tunnels as the two exemptions are already in existence.

7.3 The costs of legal support required to progress this piece of work are being met from the Tyne Tunnels revenue budget.

8. Legal Implications

The legal implications have been dealt with in the body of the report.

9. Key Risks

There are no key risks associated with this report.

10. Equality and Diversity

The changes to the Tyne Tunnels tolls exemption has the potential to have an effect on disabled people and therefore an Equality Impact Assessment has been carried out (Appendix B) to ensure the effects are fully understood and to mitigate any negative effects. The conclusion of the assessment is that there are both positive and negative impacts, however measures are being put in place to mitigate the negative impacts, therefore on balance the impact is neutral or marginally positive.

11. Crime and Disorder

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

12. Consultation/Engagement

An extensive public consultation on the changes to the disabled toll exemption been carried out as explained above.

The Head of Paid Service, Monitoring Officer and Chief Finance Officer have been consulted. Regular updates are provided to the Transport North East (Tyne and Wear) Sub-Committee.

13. Other Impact of the Proposals

Not applicable.

14. Appendices

Appendix A – Consultation Response and Feedback Report

Appendix B – Equality Impact Assessment

Background Papers

15. River Tyne (Tunnels) Order 2005

River Tyne (Tunnels) (Modification) Order 2011

Tyne Tunnel reports to the scheduled meetings of the Tyne and Wear Sub-committee:

Report dated 21 November 2019 – Tyne Tunnels Byelaws

Report dated 10 September 2020 - Tyne Pass Scheme

Report dated 14 January 2021 – Tyne Tunnels Update

Report dated 8 April 2021 – Tyne Tunnels Update

Contact Officers

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Fiona Bootle, Tyne Tunnels Manager, Fiona.bootle@transportnortheast.gov.uk.

17. **Sign off**

- The Proper Officer for Transport:
- Head of Paid Service:
- Monitoring Officer:
- Chief Finance Officer:

18. **Glossary**

DFT – Department for Transport

TT2 – TT2 Limited, the Concessionaire who operates the Tyne Tunnels.

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

JTC – Joint Transport Committee

UTCN – Unpaid Toll Charge Notice

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Transport **North East**

Changes to the Tyne Tunnels toll
exemption for disabled people

**Your consultation feedback and
our response**

Background

The purpose of this consultation was to obtain input from the public on changes to the disabled person exemption at the Tyne Tunnels. Change is necessary in order to implement the Tyne Pass barrier-less open road tolling scheme which is anticipated to come into operation in late 2021. This new open road scheme will see the removal of all barriers at the Tyne Tunnels and will bring benefits to tunnel users, as it will reduce journey times and will significantly reduce carbon emissions from vehicles using the tunnels.

The change to the disabled person exemption would affect all current Blue Badge holders and new applicants.

The current scheme at the Tyne Tunnels allows two types of toll exemption for disabled people:

1. Vehicles registered with DVLA for a disabled person's exemption from road tax
2. Any vehicle carrying a Blue Badge holder.

Currently, disabled people travelling in vehicles that meet either of these conditions can apply for a Toll Exemption Account and receive a permit to use at the Tyne Tunnel barriers to prove the exemption.

It is also currently possible for a Blue Badge holder in person to display the Blue Badge itself at the barriers, although this can cause unnecessary delays as it must be manually checked, and so holders are encouraged to apply for a Toll Exemption account.

With the introduction of the Tyne Pass barrierless open-road tolling scheme in late 2021, vehicles will no longer stop as they pass through the barrier area. All interactions with the tolling system will be through an Automatic Number Plate Recognition (ANPR) system and drivers will pay the toll due before or after their journey.

The new Tyne Pass system will benefit exempt drivers as they will not need to stop and prove their exemption by way of a permit or by a visual inspection of a badge, they will pass through in exactly the same manner as other drivers without having to stop or show any proof of exemption in public.

The ANPR system means that the ability to display a Blue Badge at a toll booth to prove exemption will not be possible. A change is therefore required for technical reasons to allow the barrierless free-flow scheme to operate.

There are two options which are under consideration for this change:

Option 1: Remove Blue Badges exemption. Blue Badge holders would no longer be exempt from paying the Toll. Only tax-exempt DVLA registered disabled users would be able to register their vehicles for an exemption.

Option 2: Continue Blue Badges exemption with mandatory registration of a vehicle. Blue Badge

holders would apply to register one vehicle number plate on TT2 systems and would therefore continue to be exempt from paying the Toll when using the registered vehicle.

Under all options the ability to present a Blue Badge in person at the barriers will no longer be possible.

Transport North East has consulted the public on the changes proposed to address this issue, on behalf of the North East Joint Transport Committee which is the authority responsible for implementing the change.

The consultation period ran from 17 February 2021 to 14 April 2021.

How we told you about the consultation

In order to reach out to as many people as possible, a multi-channel approach was used, including:

- posts on Transport North East social media channels and TT2 social media;
- information and an online survey were made readily available via transportnortheast.gov.uk;
- a dedicated email address signposted in our consultation document all queries for feedback;
- newspaper adverts across regional outlets via print and online, with digital impressions figures suggesting a reach of 50,009 people;
- Northern Echo, Sunderland Echo, Shields Gazette, Northumberland Gazette - four quarter page adverts
- The Journal and The Chronicle – quarter page advert
- TT2 advertising board at the Tyne Tunnels ran an advert for 28 days during the consultation period
- TT2 monthly newsletter promoted the consultation and was emailed to 25,361 customers and received 398 clicks
- e-mails to key stakeholders



Consultation open until 14 April 2021

We are consulting on a change to the disabled person exemption at the Tyne Tunnels. A change is needed to implement Tyne Pass, a new barrier-less free flow scheme which will come into operation this December. Blue Badge holders will be affected, as badges will no longer be able to be shown in person at the barriers, therefore options are being considered.

Visit www.transportnortheast.gov.uk/tunnelsconsultation to find out more and let us know your thoughts.

To respond to the consultation, please fill out the online survey or email NECATyneTunnels@transportnortheast.gov.uk before the closing date.

For further information call 0191 574 0031

Transport North East



We worked with local authorities, TT2 and a range of partners to ensure that messaging around the consultation was shared extensively.

We made sure that everyone's needs were taken into account by making sure the Consultation Document and the questionnaire were available in whatever format was required. This included large print and audio versions of the Consultation Document and an Easy Read version.

Recognising our aspiration to engage with disabled groups and local stakeholders, we also contacted 59 groups and organisations and asked them to engage with us and to publicise the consultation to their members.

Your response

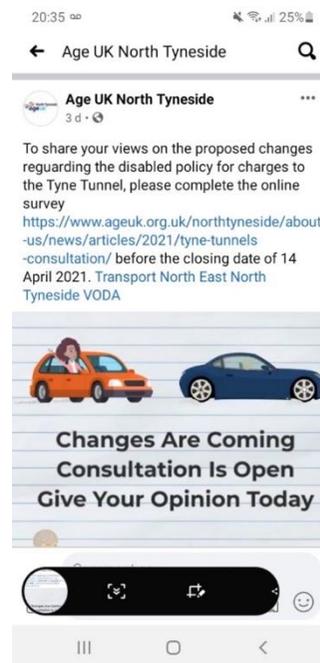
In total, we had 226 replies as part of the consultation.

The majority of you responded by completing the questionnaire that accompanied the Tyne Tunnels consultation but we also received feedback over the phone, via email and via TT2.

To summarise, we received:

- 211 completed survey questionnaires;
- 2 phone calls;
- 13 e-mails.

On average you took 8 minutes 20 seconds to complete the survey and everyone who took part completed 100% of the questions.



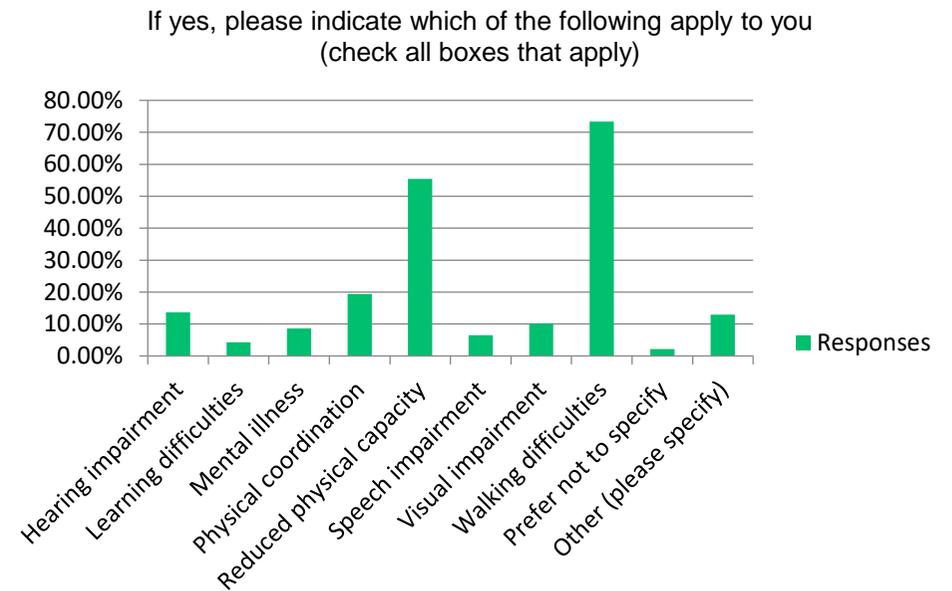
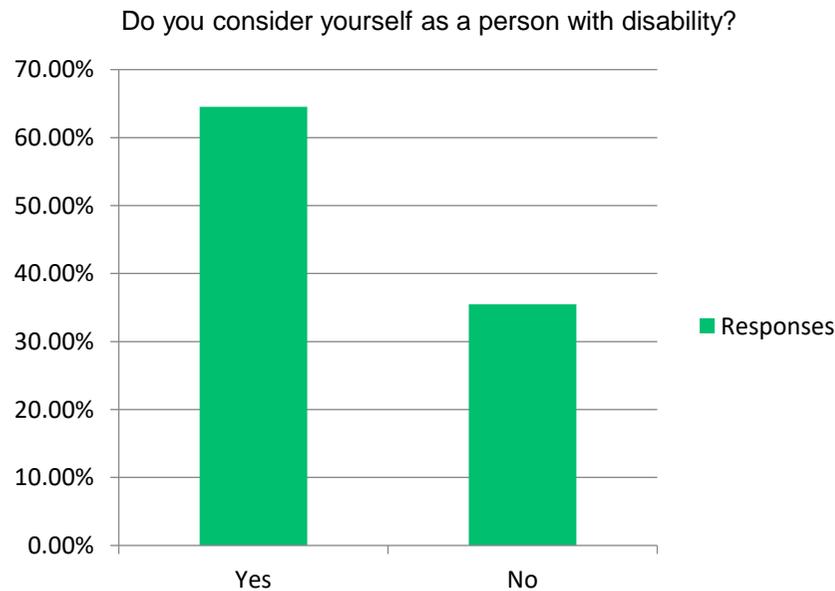
Who replied

The survey was designed to be completed by individuals to find out about their personal views and details of their own experiences using the Tyne Tunnels. When we contacted local groups and organisations they forwarded our flyer on to their members to ask the individual members to complete the survey. Some groups also reposted our social media messages, for example Age Concern.

- 98% of responses came individually
- 2% responses came directly from groups

- 64% of respondents consider themselves to have a disability
- Respondents indicated that they had various disabilities including hearing impairments, visual impairments and learning difficulties
- 56% of disabled respondents indicated that they have reduced physical capacity
- 70% of disabled respondents indicated that they have walking difficulties.

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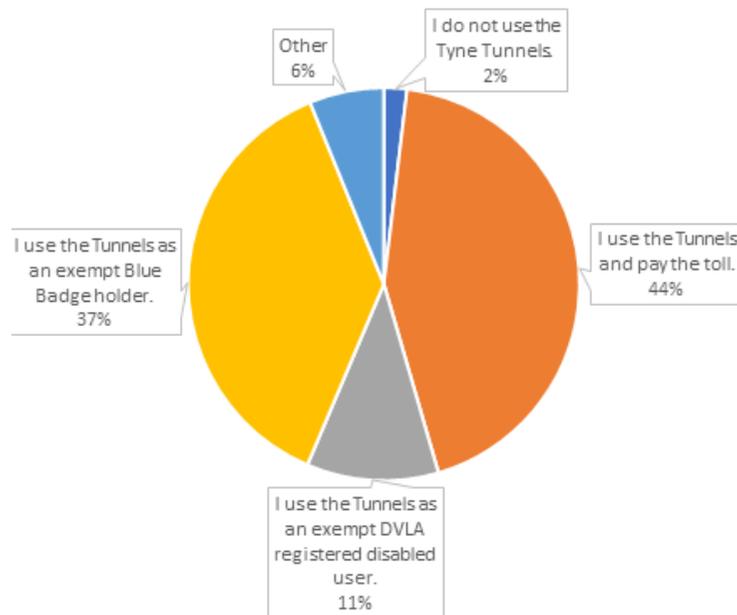


How you use the Tyne Tunnels

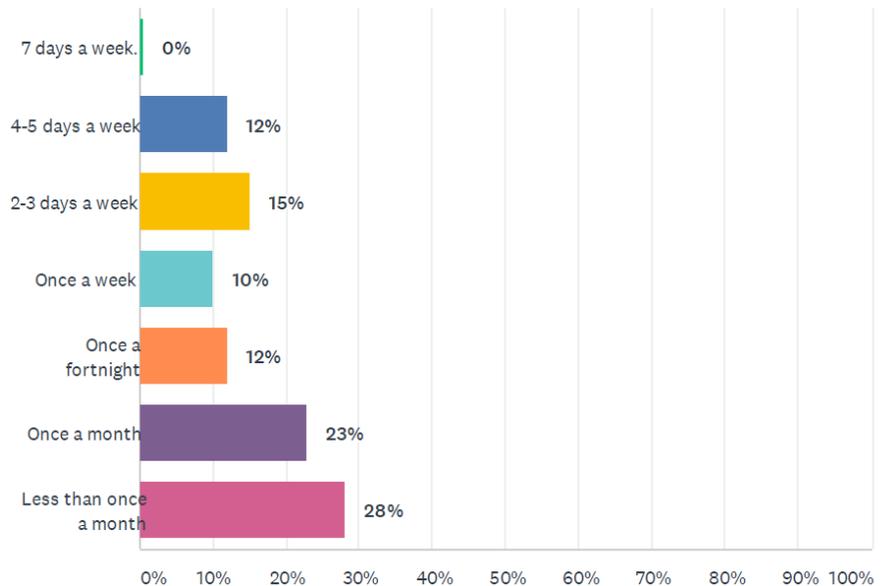
When we asked how you use the tunnels almost half of respondents (43%) pay a toll, while just under half (48%) make use of exemptions. Our analysis of the results shows that 23% of users who consider themselves disabled pay tolls despite their disability, which suggests that not all disabled users make use of a Blue Badge or a DVLA tax exemption.

When we asked how often you use the Tyne Tunnels, over half of respondents (51%) used it infrequently only once a month or less. However, 37% of respondents used the Tunnels every week at least once.

How do you use the Tyne Tunnels?



How often do you normally use the Tyne Tunnels?



What you told us

The feedback suggested that you were in favour of maintaining exemptions for disabled users.

When we asked you whether DVLA registered vehicles and Blue Badge holders should be exempt from paying the toll, the majority agreed that both exemptions should remain in place.

You also agreed (83%) that the Tyne Pass will provide a benefit for disabled users as they will not have to stop at the barriers and produce a permit, card or badge in public to prove the exemption.

Tyne Tunnels survey key questions and responses			
All figures in percentages, some may not add up to 100 due to rounding to nearest number	Agreed	Disagreed	Neither agreed or disagreed
DVLA registered vehicles should be exempt from paying tolls	75	21	3
Blue badge holders should be exempt from paying tolls	70	28	2
Tyne Pass will provide a benefit for disabled users	83	11	6

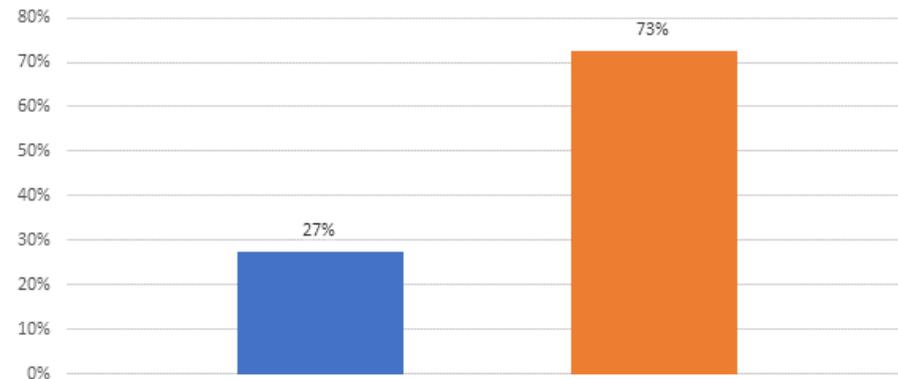
Your preferred option for the future

We set out two options which were under consideration to change the disabled exemptions to enable the Tyne Pass system to operate. Most respondents favoured Option 2 (73.3%) which retains the Blue Badge exemption allowing each badge holder to register a vehicle to claim their toll exemption automatically when their vehicle passes through the tunnels.

Given the overwhelming support for Option 2 we consider that this should be the recommended option to present to the Joint Transport Committee for disabled users of the Tyne Tunnels.

This option carries a cost, however, this cost is accounted for currently, so would not be an additional cost for the Tyne Tunnels budget.

Which option do you prefer, Option 1 or Option 2?
For more details on the options under consideration please read the consultation document.



Option 1: Remove Blue Badges exemption. Blue Badge holders would no longer be exempt from paying the Toll. Under this option, DVLA Registered Disabled person’s vehicles (tax exempt vehicles) would continue to be exempt.

Option 2: Continue Blue Badges exemption with mandatory registration of vehicle. Blue Badge holders would apply to register one vehicle number plate on TT2 systems and would therefore continue to be exempt from paying the Toll when travelling in that vehicle. Under this option, DVLA Registered Disabled person’s vehicles (tax exempt vehicles) would continue to be exempt.

Key insights from the consultation

Topic	Your Insights	Your views	Our response
<p>Should Blue Badge holders be exempt from the toll at the Tyne Tunnels?</p>	<p>There were a significant number (28%) of respondents who were of the opinion that Blue Badge holders should not be exempt from paying the toll. Views were expressed that everyone should pay something for using the tunnel, that the Blue Badge exemption was open to abuse and that it was intended as a parking benefit.</p> <p>However, far more respondents were in favour of retaining the exemption (70%). Some respondents explained that the car is a 'lifeline' and they cannot use public transport due to their disability, so rely on the exemption as a benefit and a vital aid to their accessibility.</p>	<p><i>"Why should people who are disabled not pay to travel through the tunnel like everyone else?"</i></p> <p><i>"I have a blue badge but pay for my journeys, the idea of a blue badge is easier nearer parking, not a free toll."</i></p> <p><i>"I work as much as I can without claiming the other benefits, but that is financially limited due to a disability that is hidden it is also hard to be heard and show the disability, so any support makes a huge difference."</i></p> <p><i>"Help for disabled people should be encouraged and the potential lost revenue for the tunnel would be small in comparison to the help it would be."</i></p> <p><i>"I regularly transport my disabled mother and providing easy access North of the Tyne improves her quality of life."</i></p> <p><i>"Disabled people often have a lot more to pay out to live their lives and have less income to do so. Help like this is fantastic and enables them to travel more"</i></p>	<p>One of the options under consideration was to remove the Blue Badge exemption altogether in line with most other toll operators in the UK, reflecting the fact that the Blue Badge scheme was intended as a parking benefit.</p> <p>However, having consulted with the public we understand much more about how valuable this benefit is to users and how it affects their lives and their finances.</p> <p>Some disabled respondents told us they travel to work via the tunnel and many told us they use their exemption when attending hospital and other medical appointments. The responses have given us an insight into the purpose of the journeys of disabled users and how the toll exemption can improve their quality of life as well as get them to work, education and medical appointments.</p> <p>The Transport Plan has an objective to "overcome inequality and grow our economy" and we consider that retaining the Blue Badge toll exemption would contribute to this aim.</p>

Topic	Your Insights	Your views	Our response
<p>Tyne Pass system is a new system - should we change from the status quo?</p>	<p>Some respondents stated that they don't want change and would rather keep the exemption as it is, but most felt that the Tyne Pass system would bring benefits.</p> <p>Nearly half of respondents (45%) were unconcerned at the change to Tyne Pass, reporting that the change would have little or no effect on them, provided that Option 2 was taken forward, as this Option ensures that they retain their Blue Badge exemption.</p>	<p><i>"It will cause more issues since there may be more Unpaid Toll Notices issued. Can we have a magnetic card (like TT2 season tickets) or similar so the barriers know as we approach, that we are exempt (in addition to ANPR)."</i></p> <p><i>"Option 2 is the most near-perfect option since it means little to no change for everybody."</i></p> <p><i>"I would be happy to register my vehicle with a blue badge for exemption for free passage through the tunnel."</i></p>	<p>Change to the disabled toll exemption is necessary in order to implement the Tyne Pass system. There is no option to keep things the same and implement the new system. There will be no toll barriers at all in the new system.</p> <p>The ANPR system means that the ability to display a Blue Badge at a toll booth to prove exemption will not be possible. A change is therefore required for technical reasons to allow the barrierless free-flow scheme to operate.</p> <p>Option 2 provides the least change for users as the Blue Badge toll exemption will still apply, but users will be required to register their vehicle and their exemption will be limited to one vehicle per badge holder. On the basis of this consultation, this is the Option which most consultees supported and which we intend recommending to the Joint Transport Committee.</p>

Topic	Your Insights	Your views	Our response
<p>Concerns about fraud and misuse of Blue Badges at Tyne Tunnels</p>	<p>People raised the issue that Blue Badge misuse and fraud is common and that the current system and the ANPR system could both be open to abuse. The most common fraud suggested is that a vehicle can pass through the tunnels and claim an exemption, even if the Blue Badge holder is not in the vehicle.</p>	<p><i>“The vehicle may not be occupied by the disabled person, therefore the system is open to abuse.”</i></p> <p><i>“Current system is open to abuse as it is impossible to know if the driver/user is the actual holder. Registering of one car per badge would reduce this.”</i></p>	<p>We are aware that Blue Badge fraud does take place and TT2 has carried out some research to understand the scale of the problem. Their research suggested that up to 1 in 5 vehicles claiming exemption may not be carrying the Blue Badge holder and that some users of a Toll Exemption permit were passing it to friends and family members to use for journeys.</p> <p>We consider that registration of a Blue Badge holders' vehicle as proposed for the Tyne Pass ANPR system will reduce this misuse as the exemption will attach to a vehicle rather than a hand held permit or badge and cannot be passed on to others to use when travelling through the tunnels.</p> <p>We understand that when a vehicle is registered on the ANPR system there will still be the potential for fraud as a driver could attempt to use the toll exemption even when the Blue Badge holder is not in the vehicle. We have asked TT2 to consider ways to discourage this via spot checks and the possibility of byelaw prosecutions in future for fraudulent use of the exemption.</p>

Topic	Your Insights	Your views	Our response
<p>Tyne Pass barrierless system will make user journeys easier and quicker</p>	<p>Many respondents were of the opinion that removal of the barriers will speed up journeys and make the whole experience easier.</p>	<p><i>“Less stress and hopefully a quicker journey.”</i></p> <p><i>“It will save stop start in queue and keep traffic flowing.”</i></p>	<p>We agree that this is an important benefit of the Tyne Pass system and will benefit all users. This is backed by evidence from Dartford and other toll crossings where free-flow has made a real difference to queuing and journey times.</p>
<p>Tyne Pass barrierless system is good for the environment</p>	<p>Respondents mentioned that the Tyne Pass system results in less emissions and less congestion and considered this as an important benefit of the Tyne Pass system.</p>	<p><i>“Smooth flow of traffic at all times with time and green benefits for all.”</i></p> <p><i>“Anything to reduce carbon footprint is beneficial.”</i></p>	<p>We recognise that this is a major benefit of the Tyne Pass scheme for the region. The system does not require vehicles to stop at a toll booth and accelerate to pull away from the toll plaza as the system is free-flowing and traffic will pass through without stopping. It is proven that on this basis carbon emissions will be significantly reduced. This is one of the main reasons why a change to barrierless tolling is welcomed and is supported by the North East Joint Transport Committee.</p>

Topic	Your Insights	Your views	Our response
<p>Tyne Pass freeflow will benefit disabled users as reduces stress or being different/singled out</p>	<p>Respondents reported finding the current system stressful and discriminatory as disabled users are treated differently from toll paying customers. They felt that the Tyne Pass system would be beneficial in this respect as it would treat all users the same and would eliminate this concern.</p>	<p><i>“It’s a benefit for all users, but specifically exempt users as those waiting behind are not inconvenienced nor is the exempt user subjected to any potential embarrassment from having to present an exemption.”</i></p> <p><i>“Sometimes I have to wait a while for someone to answer and I feel embarrassed when a queue builds up.”</i></p> <p><i>“As an occasional user of the Tunnels, the current system saves me money (I am on a very fixed income), but is frustrating at the toll booth as having to show my Blue badge can often take some time as the phone has to be answered, causing a build up of traffic waiting behind me. A “drive through” system will improve things greatly.”</i></p>	<p>This is an important benefit of the Tyne Pass Scheme which has become more apparent through the responses we have received to this consultation. It is clear that having to stop and show a card or badge could be seen to discriminate against disabled people as it singles them out as different. Having to press a button for a staff member to check the exemption means the user has to wait and traffic can build up behind the vehicle.</p> <p>The Tyne Pass scheme will eliminate this issue as all users will pass through in the same way and it will not be noticeable who is a disabled exempt user and who is a toll payer. All vehicles will pass through without stopping and the ANPR cameras will identify the vehicle and process any exemptions via the software system.</p>

Topic	Your Insights	Your views	Our response
<p>I need the ability to move between several vehicles</p>	<p>Several respondents raised the issue that they currently use their Blue Badge to travel in several vehicles and claim an exemption for each journey. This will not be possible in the Tyne Pass scheme as users will have to register one vehicle per badge holder. This means that for journeys in extra vehicles, users may have to pay the toll for those additional journeys.</p>	<p><i>“Tyne Pass will improve the journey for Blue Badge holders who regularly use Tyne Tunnels in the same car for each journey but will incur a cost for infrequent users or people who travel in different cars, perhaps because family members take turns to drive the Blue Badge holder.”</i></p>	<p>We understand that if Option 2 is implemented this means that users can register only one vehicle per badge holder. This will affect some users who travel in more than one vehicle. The effect will be financial as they will be toll exempt in their nominated vehicle but will have to pay the toll if they travel in a second or third vehicle.</p> <p>We have considered whether badge holders could nominate several vehicles, but this is considered disproportionately costly and could result in higher levels of fraud. It is also in line with the DVLA exemption to allow one vehicle per badge holder, as DVLA tax exempt disabled users can only register one vehicle.</p> <p>We have asked TT2 to amend the scheme to allow users to change their nominated vehicle each month to give users some flexibility and enable them to travel in a different vehicle if they need to change. TT2 has agreed to make this provision.</p>

Further insights

Topic	Your insights	Your views	Our response
How will the systems work?	Some consultees were not clear how the system would work.	<p><i>"I have a blue badge. How do I show this, if there are no barriers?"</i></p> <p><i>"Unsure how a Blue Badge holder would be recognised"</i></p>	<p>There will be no barriers in the Tyne Pass system and no ability to show a Blue Badge. This is why we need to make changes to the disabled exemptions as they cannot work in the same way as before.</p> <p>If Option 2 is approved, Blue Badge exemptions will be maintained and all users will need to register with TT2 and provide their vehicle registration number which can be recognised by the ANPR cameras.</p>
How can I pay for a journey if the Blue Badge holder is not in the vehicle?	Some respondents wanted more information on how to pay for a journey when the Blue Badge holder is not in the vehicle.	<p><i>"How will the TT2 system know that my registered vehicle may not be carrying my disabled brother (ie when I am travelling alone) and therefore not entitled to the exemption?"</i></p> <p><i>"On the issue of registered vehicles being used on non-disabled business I would think that you should be able to adapt your post-pay software to allow such drivers to either pay or charge to a pre-paid account after the event and hence stay legal."</i></p>	<p>We have taken account of these requests for information and have asked TT2 to provide clear information to all drivers on how to use the new systems.</p> <p>It is clear that TT2 must make available a straightforward process for drivers to be able to pay for their journey if their car is registered as exempt, but they make a journey without the Blue Badge holder in the vehicle. TT2 is in the process of setting up payment systems to facilitate this and will provide information on this function in due course.</p>

Topic	Your Insights	Our response	Your views
<p>The registration system must be easy to use for disabled users.</p>	<p>Several respondents had technical queries about how the registration system would work.</p>	<p><i>“Not all users are confident with online systems”</i></p>	<p>It is imperative that the system for registration must be easy to use and there must be provision made for disabled users who need assistance with registration as some may not be able to go online to register.</p> <p>TT2 is currently investigating how to make the registration process more simple and straight forward for disabled users and intends granting users access to their account online or via an app when the system is operational. This would give users the ability to easily add and change their nominated vehicle each month (if required). It is proposed that there will either be a dedicated TT2 app for disabled users or a functionality on the main TT2 app which will be specifically designed for disabled users with features to make the process easier to understand and follow.</p> <p>We also intend engaging with local disabled groups over the coming months of Tyne Pass implementation to provide them with information on the vehicle registration process for disabled toll exemptions. This means that groups can provide information and assistance to their members to enable them to register their vehicle and can provide TT2 with ongoing advice and guidance on how to make the process more accessible.</p> <p>TT2 is also making provision for users who cannot easily use online/digital services to telephone a customer services advisor who can talk them through the registration process and assist them in setting up their toll exemption account.</p>

Topic	Your Insights	Our response	Your views
<p>The system should be automatic for DVLA tax exempt registered disabled vehicles.</p>	<p>Users of the DVLA registration asked whether this could be an automatic exemption.</p>	<p><i>“Tyne Tunnel should adopt the Dartford Tunnel system where there is no need to apply for exemption in advance. Their system uses the DVLA database and identifies the car as a DVLA Registered Disabled person's vehicle. That removes any need to register the vehicle.”</i></p>	<p>We have asked TT2 to consider whether their systems can be adapted to allow DVLA registered vehicles to be automatically identified, rather than asking all DVLA exempt vehicles to register with TT2.</p>

Conclusion

We're grateful for your feedback as we look to the future for the Tyne Tunnels and the Tyne Pass barrierless scheme. Your insights have given us a better picture of what steps we need to take going forward and will prove to be crucial in deciding where we go regarding the future of the toll exemptions through the Tyne Tunnels, with every single response and comment having been carefully considered and accounted for.

Having taken on board all the feedback and insights provided by this consultation, we intend making a recommendation to the North East Joint Transport Committee to maintain both of the disabled exemptions at the Tyne Tunnels, namely the DVLA registered disabled person's vehicle exemption and the Blue Badge exemption.

We intend recommending Option 2 which will allow Blue Badge holders to register one vehicle per badge holder for a toll exemption.

Following the insight provided by this consultation we are working closely with TT2 to ensure their systems and processes for the Tyne Pass scheme are adapted to suit the needs of disabled users. The aim is to provide the best customer experience possible for Blue Badge holders and DVLA registered disabled drivers using the Tyne Tunnels.

Appendices

EASY READ VERSION OF CONSULTATION DOCUMENT

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Tyne Tunnels

Changes to the toll exemption for disabled people February 2021



Do you use the Tyne Tunnels?



We are making changes to the toll exemption for disabled people.

1



Toll exemption is when you do not have to pay to use the tunnels.

We are asking you to tell us what you think.

2



The changes will affect:

- Blue Badge holders
- new applicants (this means people asking for toll exemption for the first time)

3



The way it works now:

1. if you are a disabled person,

and your car is registered with DVLA,

and DVLA has agreed you do not pay road tax for it,

4



OR

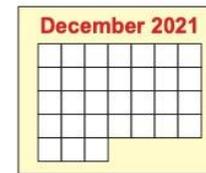
2. if you are a Blue Badge holder,

you can apply for a Toll Exemption Account.

This means you can get a permit to show at the barriers,

so that you do not have to pay the toll.

5



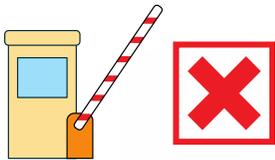
Or, you can show your Blue Badge at the barriers,

so that you do not have to pay the toll.

From December 2021:

There will be a new way of driving through the Tyne Tunnels.

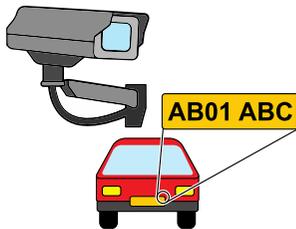
6



It is called a free flow scheme.
There will not be any barriers.



Traffic will not have to stop.



Instead, cameras will check
the car number plates.

7



Drivers will pay the toll before
or after their journey.



If you are a disabled person,



you will drive through just like
everyone else.



8



You will not be able to stop.



You will not be able to show your badge or permit.



So we need to make some changes.

There are 2 changes we are thinking about:

9



Option 1: Remove Blue Badges exemption.

This means even if you have a Blue Badge,



you will have to pay the toll like everyone else.



You can apply for your car to be exempt, but only if:



10



you are a disabled person,
and



your car is registered with
DVLA, and



DVLA has agreed you do not
pay road tax for it.

11



**Option 2: Continue
Blue Badges
exemption with
mandatory
registration of a
vehicle.**

This means if you have a Blue
Badge,

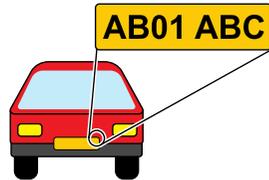


you can choose **1** car to be
exempt.

12



You will have to apply for an exemption.



You will have to tell us the car number plate.

13

Transport North East



When you drive through the tunnels in this car, you will not have to pay the toll.



Transport North East

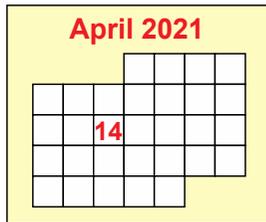


Transport North East is keen to know what you think.

14



Please fill in the online survey at:
www.transportnortheast.gov.uk/tunnelsconsultation



The survey will close on
14 April 2021.

15



If you have any questions,



please call: **0191 5740031**



or email: **NECATyneTunnels@transportnortheast.gov.uk**

16

Disabled Exemptions at Tyne Tunnels Consultation

Please provide as much supporting evidence as possible with each of your responses to the following questions.

Thank you for taking part in the consultation. The closing date is 14th April, 2021.

Before proceeding with the following questions, please read the consultation [document](#).

All starred (*) questions require an answer.

* 1. I am responding on behalf of

- Individual
- Company
- Charity
- Organisation

2. If responding on behalf of a company, charity or organisation, please make it clear who is being represented and, where applicable, how the views of members were assembled.

* 3. Do you consider yourself as a person with disability?

- Yes
- No

4. If yes, please indicate which of the following apply to you (check all boxes that apply)

- | | |
|--|--|
| <input type="checkbox"/> Hearing impairment | <input type="checkbox"/> Speech impairment |
| <input type="checkbox"/> Learning difficulties | <input type="checkbox"/> Visual impairment |
| <input type="checkbox"/> Mental illness | <input type="checkbox"/> Walking difficulties |
| <input type="checkbox"/> Physical coordination | <input type="checkbox"/> Prefer not to specify |
| <input type="checkbox"/> Reduced physical capacity | |
| <input type="checkbox"/> Other (please specify) | |

* 5. How do you use the Tyne Tunnels?

- I do not use the Tyne Tunnels.
- I use the Tunnels and pay the toll.
- I use the Tunnels as an exempt DVLA registered disabled user.
- I use the Tunnels as an exempt Blue Badge holder.
- Other (please specify)

* 6. How often do you normally use the Tyne Tunnels? (Tick whichever is most applicable)

- 7 days a week.
- 4-5 days a week
- 2-3 days a week
- Once a week
- Once a fortnight
- Once a month
- Less than once a month

* 7. The Tyne Pass free-flow system will provide a smoother and quicker journey through the Tyne Tunnels for exempt disabled users as they will not have to stop at the barriers and produce a permit, card or badge in public, to prove their exemption. Do you agree that this is a benefit for exempt disabled users of the Tyne Tunnels?

- Agree
- Disagree
- Don't know

Please provide a reason for your answer.

* 8. Do you agree or disagree that DVLA Registered Disabled person's vehicles (tax exempt vehicles) should be exempt from paying the toll at the Tyne Tunnels?

- Agree
- Disagree
- Don't know

Please provide a reason for your answer.

* 9. Do you agree or disagree that Blue Badge holders should be exempt from paying the toll at the Tyne Tunnels?

- Agree
- Disagree
- Don't know

Please provide a reason for your answer.

* 10. Which option do you prefer, Option 1 or Option 2?

For more details on the options under consideration please read the consultation [document](#).

- Option 1: Remove Blue Badges exemption.** Blue Badge holders would no longer be exempt from paying the Toll. Under this option, DVLA Registered Disabled person's vehicles (tax exempt vehicles) would continue to be exempt.
- Option 2: Continue Blue Badges exemption with mandatory registration of vehicle.** Blue Badge holders would apply to register one vehicle number plate on TT2 systems and would therefore continue to be exempt from paying the Toll when travelling in that vehicle. Under this option, DVLA Registered Disabled person's vehicles (tax exempt vehicles) would continue to be exempt.

If you have any other comment about this proposal and the options, please tell us below.

11. How will you be affected if **Option 1** is approved as the most suitable option?

12. How will you be affected if **Option 2** is approved as the most suitable option?

Equality Impact Assessment

Question	Response
1. Name of policy/funding activity/event being assessed	<p>Policy and process changes to the disabled toll exemptions at the Tyne Tunnels.</p> <p>The proposed change will preserve the existing toll exemptions for DVLA registered vehicles and for Blue Badge holders, and will require Blue Badge holders to register one vehicle on the ANPR systems.</p>
2. Summary of aims and objectives of the policy/funding activity/event	<p>Change is required to implement the Tyne Pass barrierless system which will modernise the toll payment system at the Tyne Tunnels, cutting journey times, reducing carbon emissions, bringing environmental benefits and new jobs to the region.</p>
3. What involvement and consultation has been done in relation to this policy? (e.g. with relevant groups and stakeholders)	<p>Consultation took place with the public for 8 weeks in February to April 2021. The consultation was advertised and promoted via the web, social media and newspaper adverts. Engagement with local groups and stakeholders via email and telephone and by completion of the questionnaire.</p> <p>226 respondents gave over 700 comments and views which were analyzed and considered.</p>
4. Who is affected by the policy/funding activity/event?	<p>Disabled users of the Tyne Tunnels who rely on a Blue Badge toll exemption.</p>
5. What are the arrangements for monitoring and reviewing the actual impact of the policy/funding activity/event?	<p>As the changes are being implemented we will engage with TT2 and Blue Badge holders on a continuous basis to monitor take up, and there will be a review of the impact of the policy in January/February 2022 when the system is operational.</p>

Protected Characteristic Group	Is there a potential for positive or negative impact?	Please explain and give examples of any evidence/data used	Action to address negative impact (e.g. adjustment to the policy)
Disability	1. Yes – Positive	1. Disabled users will benefit from the new barrierless system as they will be able to travel through the tunnels without stopping to prove their exemption. This will avoid them feeling singled out or embarrassed when making use of their exemption, as many users reported in the consultation that this was a concern for them currently using the toll exemption by displaying their badge to a staff member. The new Tyne Pass free flow automated system removes this barrier.	1. Positive – no action needed.
	2. Yes – positive.	2. Streamlined process allows for faster travel for disabled users. Their journeys will be quicker and easier as journey times are reduced and traffic queues/congestion at the toll barriers will be eliminated. Evidence from Dartford and other free-flow systems has shown that journey times and congestion is reduced.	2. Positive – no action needed.
	3. Yes – negative	3. As the recommended policy change requires pre-registration, disabled users who are new to the area could be negatively impacted as they may not have the benefit of being aware that the exemptions are in place.	3. Action – ensure adequate messaging and information is provided about the Tyne Tunnels on websites and in tourist guides, so that visitors to the region can plan their journey and register easily before travelling.

		This was a concern raised by a respondent to the consultation.	
	4. Yes - negative	4. Users who are not able to access the internet for whatever reason would potentially be unable to sign up for the automated vehicle registration scheme. This was a concern which was raised in the public consultation.	4. Action – TT2 have agreed to put in place new systems specifically designed for disabled users including an app for Blue Badge holders and a facility for telephone registration for those unable to use online services.
	5. Yes - negative	5. Lack of movability between vehicles, as only one vehicle per Blue Badge holder can be registered. This could disadvantage some disabled users who wish to travel in more than one vehicle as a passenger. The effect is financial as they would have to pay the £1.90 toll for journeys using second or third vehicles. This was a concern which was raised in the public consultation.	5. Action –TT2 have agreed to give users the ability to change their registered nominated vehicle once per month to allow greater flexibility. Secondly, a policy has been agreed so that users do not have to be a driver or car owner to benefit from the exemption, as they can nominate a family member or friend’s vehicle as their chosen vehicle. Finally officers are discussing with TT2 the possibility that users can register one vehicle using their DVLA tax exempt status and a second vehicle using their Blue Badge so that those disabled users who are eligible for both exemptions could potentially register two vehicles.
Gender reassignment	No		
Marriage or civil partnership	No		
Pregnancy and maternity	No		
Race	No		

Religion or belief	No		
Sexual orientation	No		
Sex (gender)	No		
Age	Yes – negative.	Blue Badge holders are more likely to be older and more likely to find it difficult to register online which could be a barrier to making use of the exemption.	Action – TT2 have agreed to put in place new systems specifically designed for disabled users including an app for Blue Badge holders and a facility for telephone registration for those unable to use online services.

Evaluation:

Question	Explanation / justification
Is it possible the proposed policy or activity or change in policy or activity could discriminate or unfairly disadvantage people?	<p>The changes to the policy and process proposed under the Tyne Pass barrierless system will have both negative and positive effects on the group compared with the current system.</p> <p>Positive effects will be the faster, easier journeys which do not single out disabled people for different treatment, as all drivers and passengers in the Tyne Pass system are treated the same and can drive through without stopping.</p> <p>The negative effects are on those who may travel in several cars and the effect would be financial as they may have to pay the toll when using a second or third vehicle. There may also be a negative effect on users who cannot easily use on-line systems.</p> <p>These negative effects have been mitigated by putting in place software and customer service systems to help disabled people and make the process easier and simpler and by allowing some flexibility in the choice of nominated vehicle.</p>
Date completed:	29th June 2021

North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021
Subject: Tyne Tunnels Update
Report of: Managing Director, Transport North East

Executive Summary

This report provides an update on activities at the Tyne Tunnels relating to:

1. The management and operation of the traffic tunnels;
2. The management and operation of the Tyne Pedestrian and Cyclist Tunnels (TPCT).

The report provides an update on traffic levels at the Tyne Tunnels. It notes the progress of the Tyne Pass barrierless scheme and the issues encountered with the interim stages of the scheme. The report also provides an update on the usage and operation of the Pedestrian and Cyclist tunnels with particular reference to the completion of the refurbishment.

Recommendations

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

- i. Note the contents of the traffic tunnels update; and
- ii. Note the contents of the Tyne Pedestrian and Cyclist Tunnels update.

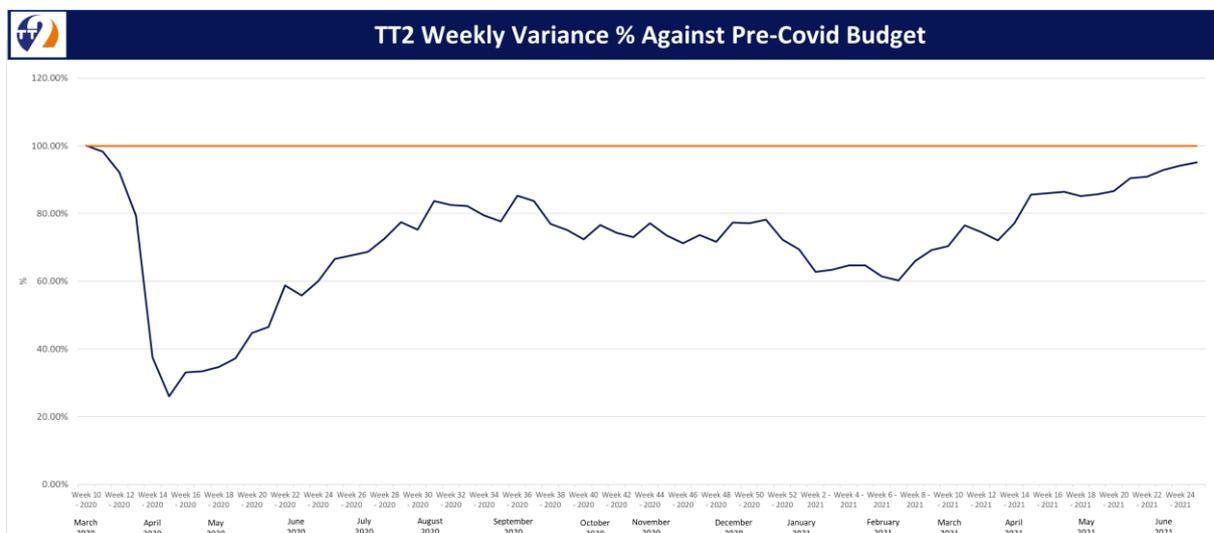
1. Background Information

- 1.1 The Tyne Tunnels are jointly owned by the North East Combined Authority (NECA) and the North of Tyne Combined Authority (NTCA). They comprise two vehicle tunnels (one northbound and one southbound) and the pedestrian and cyclist tunnels. The Tyne Tunnels receive no government or local funding and costs are met from the tolls charged to users of the vehicle tunnels.
- 1.2 TT2 Ltd as Concessionaire is responsible for the day-to-day management and operation of the Tunnels, in accordance with the Project Agreement which is in place from 2007 to 2037. This is monitored by the Tyne Tunnels Manager on behalf of NECA (as accountable body for the Joint Transport Committee (JTC)).

2. Traffic Tunnels Update

Traffic Flows and Covid-19 effects

- 2.1 Traffic flows through the Tyne Tunnels are reviewed daily by TT2 and Transport North East. The normal level of traffic pre-Covid was approx. 55,000 vehicles per day. As a result of Covid-19 lockdown measures, traffic levels dropped drastically during March and April 2020 to approximately 17,000 vehicles per day which is 30% of normal levels. This is the lowest level of traffic seen during the life of the TT2 contract.
- 2.2 During the summer months of 2020 traffic began to increase but dropped off again as lockdown restrictions were put in place in autumn 2000 and into early 2021. In the second lockdown traffic remained around 65% of normal levels and has gradually increased as schools and businesses have reopened. During May 2021 traffic has been at 90% of normal levels which is the highest level seen since the start of the pandemic.
- 2.3 The orange line in the graph below shows normal expected traffic levels as 100% while the blue line shows actual traffic levels during 2020 and 2021.

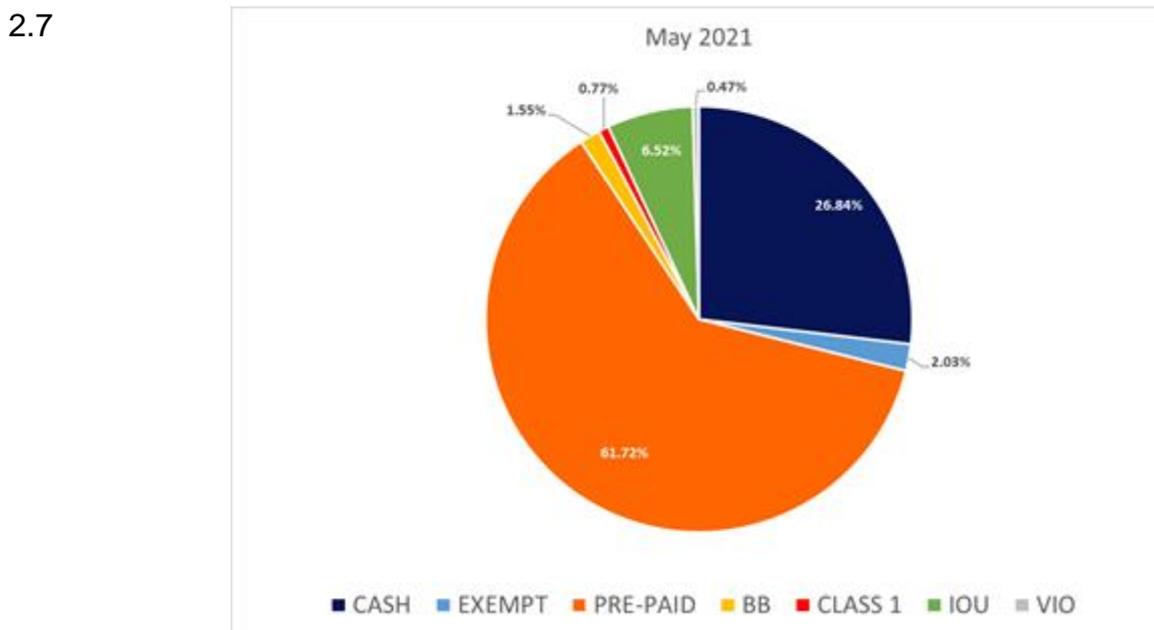


2.4 Throughout the COVID-19 crisis TT2 has suffered a significant shortfall in expected toll income and during 2020 there were concerns as to how TT2 would emerge from the crisis. Toll road operators did not receive any support from central government, as they were not provided with emergency funding in the same way that bus and rail operators were. TT2 and officers on behalf of JTC have therefore worked together locally on measures to combat the financial effects of the sharp decrease in toll income. It now seems likely that traffic may return to near normal levels in July 2021 when all restrictions are lifted. This will mean that for the first time in over 16 months, TT2 can plan its recovery from the pandemic and forecast its financial position for the remainder of the Concession.

2.5 Due to the structure of the Project Agreement with TT2, JTC income from tolling during 2020 was unaffected, as JTC retains the first 30% of toll income as part of the Project Agreement. This meant that as traffic levels dropped in 2020, the financial risk sat with TT2 rather than with JTC, enabling JTC budgets to remain the same in 2020/2021. The loan repayments (relating to borrowing for the construction of the second tunnel in 2011) which account for 90% of the JTC tunnels outgoings were made as planned in 2020/21.

Payment of the toll

2.6 The toll paid by tunnels users can be paid by a variety of means. Historically, cash was the main form of payment, but now only 26.8% of users pay by cash. By far the most popular way to pay currently is via a pre-paid account, with 61.7% of users choosing to pay in this way during May 2021. This is in spite of many pre-paid account holders still largely working from home.



Payment profile of Tunnel users May 2021

2.8 Pre-paid accounts to pay the Tyne Tunnels toll can be set up via the TT2 app or via the TT2 website. A pre-paid account is the recommended way for tunnel users to pay, as it not only provides a 10% discount for users, but also speeds up journey time through the toll plazas. When the Tyne Pass barrierless open road system is

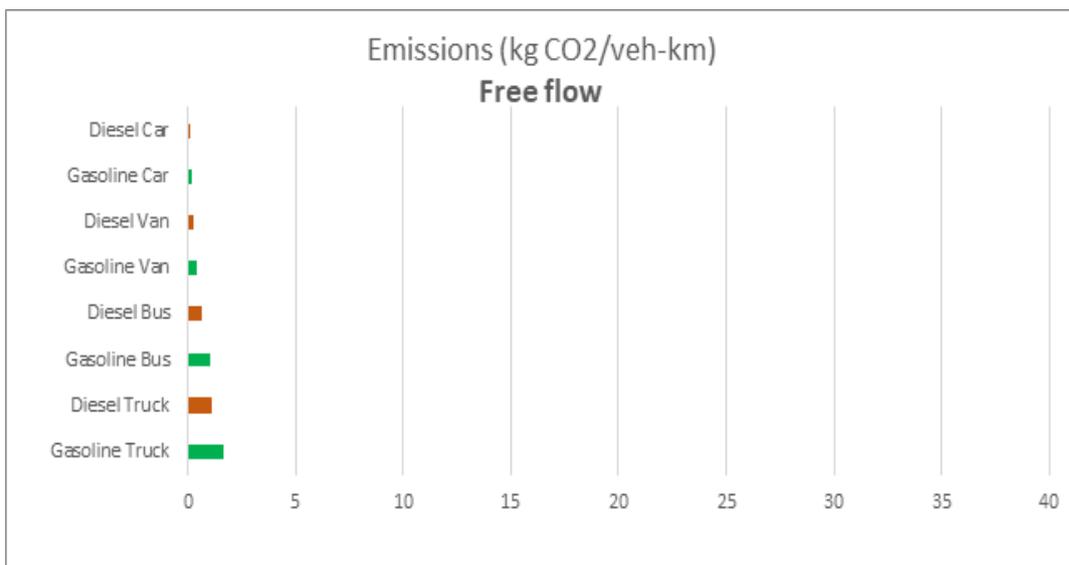
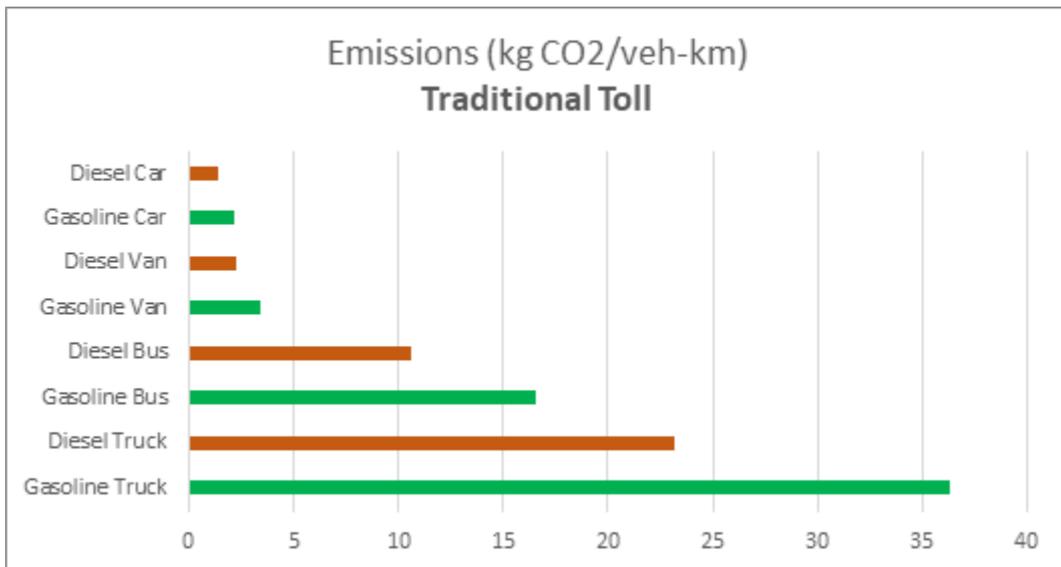
fully implemented, drivers with a pre-paid account will have a seamless journey and easy payment experience. It is therefore important that the use of pre-paid accounts is promoted and marketed to drivers to make them aware of its benefits. There is an ambition that when Tyne Pass barrierless system goes live at the end of the year the number of pre-paid account holder journeys is closer to 80%, meaning that less than 20% of users would need to use the new systems to pay after their journey.

Tyne Pass Scheme

- 2.9 As members are aware, work continues on the implementation of the new Tyne Pass Scheme for open road tolling, which is due to be put in place at the end of 2021. The barrierless scheme will modernise the payment system and provide other benefits for the area, including reduced carbon emissions. It was approved by this committee in September 2020. The scheme is being designed, implemented and operated by TT2 following consultation with NECA officers, in line with the review processes set out in the Project Agreement.
- 2.10 Modernisation of the toll payment system at the Tyne Tunnels was anticipated in the Project Agreement when it was agreed in 2007, and has been under consideration for some time, in order to upgrade from the largely coin-based system to a barrierless free-flow system. The current outdated system requires customers to stop and make payment at the toll barriers, causing delay for drivers and resulting in excess carbon emissions from traffic queueing then accelerating after leaving the toll plaza. The proposed scheme to be implemented has taken learning from other barrierless systems in operation across the UK and Ireland.
- 2.11 As anticipated by TT2 and the Tyne & Wear Integrated Transport Authority (TWSC's predecessor in this regard) in the Project Agreement, it is agreed that the costs and risks associated with the implementation of the Tyne Pass scheme, as well as the operational savings and enforcement income, lie with TT2.
- 2.12 The scheme is intended to provide the following benefits:
- Modernisation of the toll payment system;
 - Reduced journey times;
 - Reduced carbon emissions; and
 - Create up to 80 new local jobs.

Environmental Benefits

- 2.13 A major environmental benefit which results from the Tyne Pass Scheme is the reduction in carbon emissions. This occurs as a result of traffic moving freely rather than having to decelerate and accelerate at the toll barriers. It has been demonstrated that a typical diesel HGV emits around 23kg of CO₂ per km when using a traditional barriered plaza and a car emits around 1.4kgs per km (see graphics below).
- 2.14 The charts below show the significant difference in CO₂ emissions for vehicle types comparing a traditional toll and a barrierless free-flow system.



2.15 The process of accelerating away from the toll plaza accounts for 96% of emissions from an HGV and 85% of emissions from a car. In a free-flow barrierless system vehicles would not be required to stop at all, therefore would not need to accelerate from a stand still. This means that implementation of the Tyne Pass scheme could account for a reduction of up to 92% from the current level of CO₂ emitted by vehicles at the Tyne Tunnels, providing a measurable and significant benefit to the region.

Customer Journey

2.16 From a customer perspective, once the Tyne Pass system is fully operational in November/December 2021 tunnel users will notice that the toll barriers are removed altogether and queueing/waiting times will be significantly reduced, as vehicles will not have to stop or slow down to make a payment. Customers will not be required to carry cash in their vehicle and could choose to pay before or after their journey by a

variety of methods. High specification Automatic Number Plate Recognition (ANPR) cameras will read every number plate and register the vehicle journey. Signage and messaging will make it clear what a customer needs to do to pay the toll for the journey they have undertaken.

2.17 Customers will be able to pay the toll due for each journey (by midnight on the day following their journey) by any of the following means:

- **Pre-paid account** – set up via the TT2 app or on the TT2 website this allows the toll to be automatically deducted from the customers pre-paid account as they drive through.
- **Website/app** – customers can pay after their journey via the website or the app making an online payment.
- **Telephone** – customers can pay after their journey by telephone making a card payment.
- **Cash** – customers without bank accounts can still pay in cash through a retail channel such as a Payzone. Customers using this facility can simply give their registration number and date of journey to make a cash payment.

2.18 Customers failing to make a toll payment by midnight on the day following their journey will face enforcement action from TT2. They will be contacted by post using DVLA records for the vehicle. Late payment charges will be applied as set out in the byelaws:

- £30 if paid within 14 days
- £60 if paid within 28 days
- £100 thereafter and referral to third party enforcement agency

An appeals service is already in place to allow individuals to appeal if the charge has been applied unfairly or in error. This service will be expanded to allow for larger numbers of customers and appeals under a free-flow system.

2.19 These charges are already in place for drivers who currently choose to 'Pay Later' but fail to do so. The level of charges was approved by Tyne & Wear Sub-committee in November 2019 and the Tyne Tunnels Byelaws were amended in 2020 with Department for Transport approval to reflect these charges. Further legislation amendments are required to implement the final stages. These are set out in a separate report before this Committee.

Interim Stages of Tyne Pass Scheme

2.20 When planning the Tyne Pass Scheme, TT2 researched how other toll operators had introduced a free flow system, including Dartford Crossing, Dublin M50 and Mersey Gateway. It was clear from their experiences that moving overnight from cash toll booths to a cashless free flow system could cause significant issues for customers.

2.21 Other toll operators experienced a challenging initial 'go-live' period, with a lack of customer comprehension of the concept of paying after their journey. They also reported difficulties in using a new enforcement and appeal system, with newly

recruited staff who had to deal with significant numbers of customer issues in a very short time frame. One operator explained that unexpected scenarios (e.g. paying for a journey made in a hire vehicle) had not initially been designed into their system so this caused additional problems for customers. Another operator explained that their team had significantly underestimated the initial volume of customer queries and were wholly unprepared for the volumes of enquiries following go live.

2.22 Learning from these experiences, TT2 decided to adopt a phased approach to the implementation of the Tyne Pass Scheme to allow customers to understand and adapt to the new system. The phases have been planned as follows:

Phase 1 – Pay Later (implemented May 2020)

Allows customers to start to understand the concept of paying after a journey. It tests TT2's business rules and the capability to manage non-payment. It also highlights any exceptional scenarios that need to be designed into the Tyne Pass solution.

Phase 2 – Interim Free Flow (implemented December 2020)

Barrierless free flow using traffic lights in dedicated lanes, encouraging customers to sign up for a pre-paid account for the most convenient method of payment. This phase also allows customers to become accustomed to barrierless operations.

Phase 3 –Tyne Pass Scheme Go-Live (planned late 2021 / early 2022)

Complete removal of the plazas and all barriers, creating continuous seamless journeys through the tunnels without the need to stop, customers will either pre-pay or pay after their journey.

Pay Later

2.23 Pay Later was brought in as the first stage of the Tyne Pass barrierless system and enables customers to pay after their journey, by midnight the next day, giving a minimum of 24 hours or up to 48 hours to pay for their passage through the tunnel. The period to pay is consistent with the majority of tolled crossings in the United Kingdom, including Dartford and Mersey Gateway, which TT2 is looking to emulate and learn from.

2.24 Using Pay Later, customers can pay for their journeys 24 hours a day, 7 days a week via the TT2 website or by using an automated telephone payments line. The details of both methods of payment are printed on the ticket received at the point of travel, and also explained on the TT2 website and promoted through social media. Customers who fail to pay on time can face additional charges of £30, £60 or £100 if they continually fail to respond to repeated requests for payment. If ultimately the customer refuses to pay, the case can be referred to third party enforcement agents who can add a maximum of £70 to the total as enforcement process charges.

2.25 A contact centre has been set up on-site at the Tyne Tunnels to enable TT2 to provide a customer service helpline for all of its users. Hours have been extended following customer demand so the contact centre is now open 7 days a week and till 7pm on weekdays. This means a customer can always speak to an agent about any issue ahead of the expiry of their ticket.

2.26 Officers will continue to work closely with TT2 to ensure best practice and learning

from Pay Later is being built into the Tyne Pass project. They are actively involved in the design of signage and road layout changes, as well as the awareness marketing campaign which is currently being planned.

Customer feedback on Pay Later

- 2.27 TT2 has received both positive and negative feedback on the Pay Later service via their online customer platform. Some examples of positive comments are from users who have indicated that they find the system 'efficient' and 'very easy to use'. The high number of drivers consistently using Pay Later and the barrierless lanes also suggests that customers make a choice to use this service and find it a useful way to pay the toll. TT2 advise they have seen over 800,000 Pay Later transactions and that compliance is much improved as customers become familiar with the process,
- 2.28 However, a number of customers have made complaints to TT2 and on social media and some have set up social media groups about the issues they have encountered. Most issues raised relate to customers who have been issued with an Unpaid Toll Charge Notice (UTCN) because they have failed to pay on time or have not used the system correctly. There is a staged appeal process in place to allow customers to appeal if they consider they have been unfairly issued with a UTCN, however some users whose appeals have been rejected continue to be dissatisfied.
- 2.29 One user contacted this committee to request that his particular points of issue be put before the committee. He requested that the committee read his letter and consider his concerns. At the last meeting of this committee in April 2021 the Chair asked officers to investigate all the issues raised and to report back to members.
- 2.30 Officers have now investigated his concerns and responded directly to him in writing addressing in detail all the issues he has raised and can confirm to this committee that he has received a full response to each of his concerns. The response has been made available to committee members.

Interim free-flow - Barrierless premium lanes

- 2.31 Following on from Pay Later, in December 2020 TT2 implemented a further stage of the Tyne Pass system in the form of free-flow barrierless lanes specifically for pre-paid customers. These lanes are controlled only by traffic lights and allow drivers to stop at the red light then drive on as soon as the camera registers their vehicle registration as pre-paid, which is signified when the light changes to green.
- 2.32 The purpose of the premium pre-paid lanes is four-fold:
- 1) It provides a clear and visible benefit to customers to migrate from cash to pre-paid accounts. It is a core objective of the pre-Tyne Pass go-live period to maximise the number of customers on pre-paid accounts in order to minimise the level of non-compliance at go-live.
 - 2) The transaction is quicker because the customer can exit immediately the light turns to green, usually without stopping but also without having to wait for the barrier to lift. This is a better customer experience for users.
 - 3) The fact that throughput is improved for around a third of customers reduces

queues on average for everyone.

4) It starts to educate drivers to stop at a red light which will be the method of controlling customer access to the tunnels under Tyne Pass (e.g. dangerous load escorts, incidents, staff in 'live lanes').

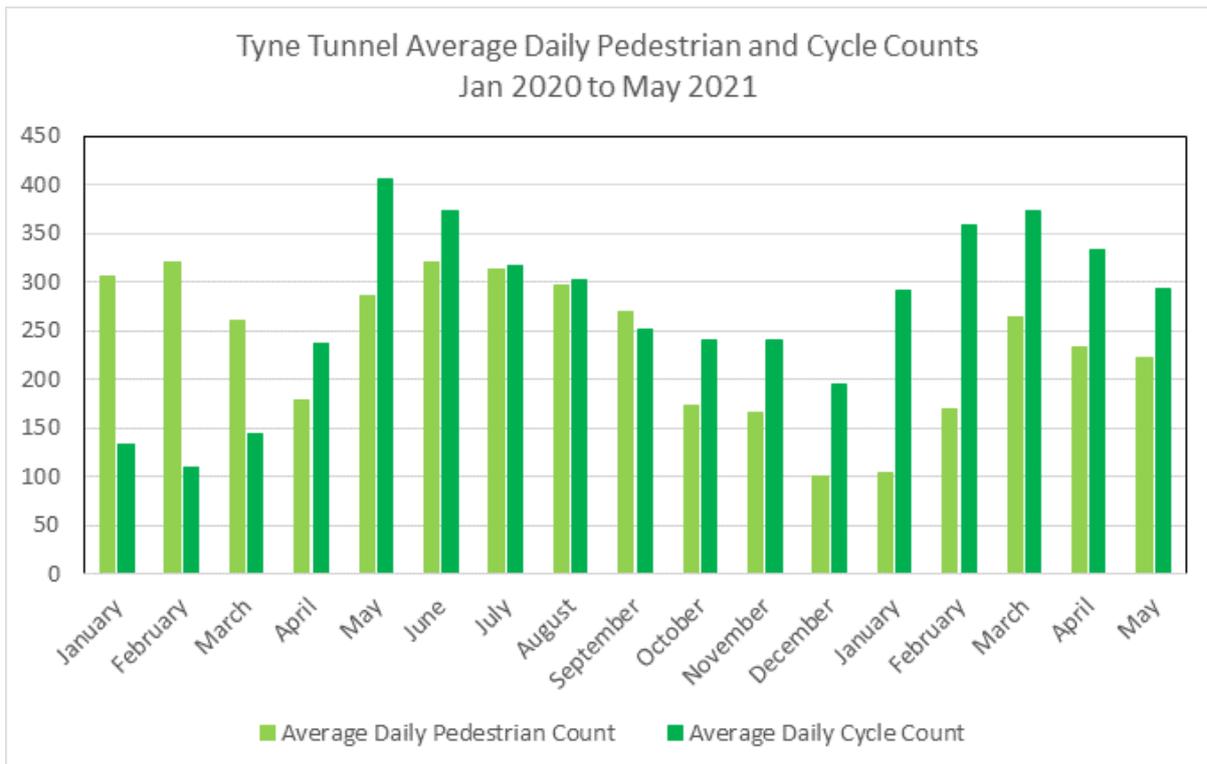
- 2.33 These lanes have proved popular with drivers as they provide a quicker journey, however there have also been teething problems in terms of customers understanding the systems. Some pre-paid customers have misunderstood the system and have not realised they must follow the traffic lights so have driven straight through on a red light without waiting for their pre-paid account to be picked up by the cameras. This has led to a contravention and resulted in an Unpaid Toll Charge Notice being issued to the driver, who in most cases is frustrated that their pre-paid account has not been recognised and that they did not realise that they have driven through a red traffic light.
- 2.34 TT2 and officers have discussed this specific situation where a driver using the premium lanes for the first time has a balance on their pre-paid account, but has driven through the red light. It is considered most likely that a driver in these circumstances has not been concentrating on the signage and signals, but that they did not intend to avoid paying the toll. It has therefore been agreed that going forward UTCN processes will be amended to allow a 'first time user' contravention of the red light for a new user of the barrierless lanes, provided that the user has sufficient balance on their pre-paid account. This change means that from 1st May 2021 users who receive a UTCN in these circumstances can appeal and on receipt of their appeal their UTCN will be cancelled. Furthermore, TT2 can use this opportunity to engage with them and give specific instructions on how to use the barrierless lanes and the traffic light system, so that on future journeys they obey the red light and stop when required.
- 2.35 TT2 have also provided some analysis on the interim system and have confirmed that for every 1,000 pre-paid customer journeys through these premium lanes, around 3 users generate a UTCN by driving through the traffic light signal on red, whilst 997 pre-paid users use the lanes correctly.



Tyne Pedestrian and Cyclist Tunnels Update

- 2.36 The Tyne Pedestrian and Cyclist Tunnels reopened for public use in August 2019 after being closed for several years for refurbishment. They are currently open to the public with no charge to users. To access the tunnels, pedestrians and cyclists can use the vertical lift at both ends and must abide by social distancing measures in place including wearing a face mask. The tunnels are monitored via CCTV by the 24 hour security presence on-site.
- 2.37 The tunnels were open throughout most of 2020 between 06:00 and 22:00. Following requests from users for night time opening, a trial of 24 hour opening was put in place for the month of December 2020 to assess whether there were any concerns regarding safety or anti-social behaviour. The trial has proved to be successful and there have been no major concerns or incidents of antisocial behaviour. The night time opening has proved very popular, particularly benefiting shift workers who cycle to work at night.
- 2.38 Following the trial it was agreed that 24 hour opening should continue throughout 2021 subject to regular reviews. It has continued throughout 2021 without any major issues.
- 2.39 Daily use of the tunnels has increased since the tunnels reopened in 2019. Cycling in particular has increased in popularity over the last 12 months although usage in May 2021 was not as high as May 2020, but this is likely to have been affected by the national lockdown in place at that time in 2020.

Daily average usage is shown below. Total usage figure (including cyclists and pedestrians) for April 2021 was 16,976 journeys and for May 2021 was 15,978 journeys.



Inclined lifts refurbishment

- 2.40 The completion and certification of the inclined lifts is now the only major outstanding work required to complete the full refurbishment. Once this is completed the Tunnels will be handed over from the Newcastle City Council project team, who are continuing to oversee their operation, to TT2 Ltd, who will then manage the operation of the Tunnels for the remainder of the Concession.
- 2.41 As this committee are aware, the completion of the inclined lifts has been delayed throughout 2020 with the Italian lift engineers (Maspero) citing Covid-19 travel restrictions as the principle reason for this. Engineers were last on site in January 2020 and not been back to site since.
- 2.42 However, the completion of the inclined glass lifts is a priority and therefore other options have been considered to reach a solution in 2021 which allows the inclined lifts to be brought into operation as soon as possible.
- 2.43 Officers recently engaged a UK lift specialist to carry out a survey on the inclined lifts in order to establish what outstanding work is required to bring the lifts into operation. It is estimated that approximately 12 to 16 weeks specialist engineering work is required on the lifts to complete the works, the testing and the safety certification process.
- 2.44 Officers are making arrangements to appoint an alternative specialist contractor in the next few weeks with the intention that works can commence during July and the lifts can be completed and operating before the end of 2021. This will be welcome news for the public and for this Committee as the delays during 2019 and 2020 have been frustrating for all parties. Further updates will be provided once the works are underway.

3. Reasons for the Proposals

Not applicable.

4 Alternative Options Available

Not applicable.

5. Next Steps and Timetable for Implementation

- 5.1 Officers are monitoring use of the tunnels and the impact of the Pay Later and barrierless premium lanes and are working with TT2 on the implementation of the Tyne Pass system which is due to go-live in November/December 2021. They are also continuing to pursue all options to enable the Tyne Pedestrian and Cyclist Tunnels inclined lifts to be brought into operation during 2021.

6. Potential Impact on Objectives

The promotion of cycling and walking is in line with the JTC objectives on sustainable transport.

The Tyne Pass scheme provides significant environmental benefits which contribute to the Combined Authorities' objective to improve air quality and reduce carbon emissions. This is also in line with the Transport Plan objectives and the Combined Authorities' objectives to respond to the Climate Change Emergency which has been declared by all constituent authorities.

The Tyne Pass scheme creates new jobs for local people which contributes to the Combined Authorities' objectives to improve employment opportunities in the region and reduce levels of unemployment.

7. Financial and Other Resources Implications

- 7.1 There are no financial implications arising directly from this report, which is for information.

- 7.2 Due to the structure of the contract with TT2 Ltd, the reduced traffic has not had an impact on the net budget for the Tyne Tunnels managed by the Joint Transport Committee.

- 7.3 The cost of the refurbishment works were included in the JTC capital programme and have been funded from Tyne Tunnel reserves and from prudential borrowing in line with the original approval for the project. It is important to note that the Tyne Tunnels reserves are ring-fenced for use on the tunnels.

8. Legal Implications

There are no legal implications arising directly from this report.

9. Key Risks

There are no key risks associated with this report.

10. Equality and Diversity

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

11. Crime and Disorder

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 Officer have been consulted. Regular updates are provided to the Transport North East (Tyne and Wear) Sub-Committee. TT2 website and the Pedestrian and Cycle Tunnel website both provide updates to the public on all matters related to the Tunnels.

13. Other Impact of the Proposals

Not applicable.

14. Appendices

None.

15. Background Papers

River Tyne (Tunnels) Order 2005

River Tyne (Tunnels) (Modification) Order 2011

Tyne Tunnel Update reports to the scheduled meetings of the Tyne and Wear Sub-committee:

Report dated 9 July 2020 – Tyne Tunnel Update

Report dated 5 September 2020 – Tyne Tunnel Update

Report dated 5 November 2020 – Tyne Tunnel Update

Report dated 14 January 2021 – Tyne Tunnels Update

Report dated 8 April 2021 – Tyne Tunnels Update

16. Contact Officers

- 16.1 Paul Darby, NECA Chief Finance Officer, paul.darby@durham.gov.uk, Tel: 03000 261930

Mike Barker, Strategic Director, Corporate Services & Governance

Gateshead Council, MikeBarker@Gateshead.Gov.Uk , Tel. No: 0191 433 2100

Alastair Swan, Principal Engineer, alastair.swan@newcastle.gov.uk , Tel: 0191 211 5931

Fiona Bootle, Tyne Tunnels Manager, Fiona.bootle@transportnortheast.gov.uk.

17. Sign off

- 17.1
- The Proper Officer for Transport:
 - Head of Paid Service:
 - Monitoring Officer:
 - Chief Finance Officer:

18. Glossary

18.1 TPCT – Tyne Pedestrian and Cyclist Tunnel

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

JTC – Joint Transport Committee

UTCN – Unpaid Toll Charge Notice

North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021
Subject: Metro Fleet Replacement Programme
Report of: Chief Operating Officer, Nexus.

Executive Summary

Since the award of contracts in February 2020 Nexus' Fleet Replacement Programme has been concerned with the transfer of the train maintenance business from Nexus to Stadler, the design of the new Metro trains and the design and construction of the new Metro maintenance depot in Gosforth. The transfer of the maintenance business was successfully concluded in October 2020. In addition, a new satellite depot in Howdon has been constructed and brought into use in November 2020 and this allowed the reconstruction of Nexus' main depot in Gosforth to commence. Nexus has undertaken extensive public consultation on the design of the new Metro trains and has used feedback from the consultations to finalise the designs which are presented within this report. In terms of next steps, the completion of the train designs allows the train manufacturing process to commence and train component manufacture is scheduled to commence in August 2021.

Recommendations

The North East Joint Transport Committee, Tyne and Wear Sub-Committee is recommended to note the contents of this report.

1. Background Information

- 1.1 Since inception the Fleet Replacement Programme (**the Programme**) has been concerned with delivering a new fleet of trains for the Tyne and Wear Metro, a new train maintenance facility in Gosforth, a new satellite depot in Howdon and procuring contracts for the maintenance of the new fleet of trains and the existing fleet up to the point of its disposal.
- 1.2 On the 13th July 2017 the Transport North East Committee approved the high level fleet specification and the strategy for the depot facilities and for train maintenance.
- 1.3 In November 2017, the government confirmed £337m of capital grant, to be augmented by £25m from Nexus.
- 1.4 On the 31st January 2018, a single procurement exercise commenced covering contracts for the provision of new trains, a new maintenance facility and a long-term (35 year) maintenance contract. A separate procurement was undertaken and a contract let for the delivery of the new satellite depot in Howdon.
- 1.5 Following an 18-month competitive procurement exercise and a 6 month process to gain the necessary business case approval and confirmation of funding, Nexus entered into contracts with Stadler in February 2020.

2. Proposals

- 2.1 Following contract award mobilisation commenced on the Depot Construction Contract (DCC), Metrocar Maintenance Agreement (MMA) and train Manufacture and Supply Agreement (MSA) concerned with the depot re-construction, existing train fleet maintenance and manufacture of the new trains respectively.
- 2.2 The mobilisation of the train maintenance contract (MMA) was concerned with preparations for the transfer of the existing maintenance business, including the TUPE transfer of 119 employees, from Nexus to Stadler. In the run up to business transfer Nexus and Stadler engaged with staff and the Trades Unions to ensure the process led to a seamless business transfer on 4 October 2020.
- 2.3 After shorter mobilisation periods the initial designs commenced for the depot re-construction (DCC) and the new train fleet (MSA). The depot re-construction works began in November 2020 and to date the South East corner of the existing depot has been demolished and the piling works undertaken to form the foundations of the new depot building. Photographs capturing these phases are included in Appendix A.
- 2.4 Fundamental to allowing the depot re-construction works to commence was the completion of the new satellite depot in Howdon. The satellite depot allows Nexus to stable 10 trains in Howdon which frees up space within Gosforth Depot to allow its reconstruction. Howdon depot construction was completed in August 2020 having suffered only 6 weeks delay due to the pandemic thanks to the sustained collaborative efforts between Nexus, the principal contractor Buckingham Group and its supply chain. The satellite depot was brought into operation in November 2020 to align with the commencement of the Gosforth depot re-construction works.

An aerial photo of the completed depot is included in Appendix B.

- 2.5 The design process for the new Metro trains comprised two stages; initial design and final design. The initial design was based on Nexus' specification which included the customer requirements identified in an extensive consultation exercise undertaken in 2016/17.
- 2.6 The broad design principles were to;
- Transform the journey experience;
 - Use the fact the trains are bespoke to deliver a design that meets our unique aspirations;
 - Involve customers in shaping the design like never before in the railway industry;
 - Base design round the needs of disabled users because that leads to a better train for everyone;
 - Create an open-plan layout which can easily accommodate wheelchairs, bicycles and more.
- 2.7 In September 2020 further consultations began with the public and staff on Stadler's initial train design proposals. Due to the Covid pandemic traditional mass face to face consultation was not possible and Nexus worked with Newcastle University's Open Lab to design an innovative research led consultation process that would deliver meaningful consultation despite the pandemic.
- 2.8 In total c.23,000 customers were consulted on the new train design via social media, website and webinar workshop participation and the feedback about the train designs was fed back into the design process to shape Stadler's final train design.
- 2.9 In addition, a mock-up of the basic carriage shape, seating layout and multi-purpose spaces was constructed to enable specialist user groups such as wheelchair users, blind and partially sighted and cyclists to physically interact with the train's dimensions and accessibility features. A number of user group trials were undertaken under controlled conditions to comply with government Covid guidelines over several months. This consultation was enhanced by state-of-the-art Virtual Reality (VR) technology allowing users to be immersed in a virtual model of the train design in addition to interacting physically with the train mock-up; including the new sliding step feature that will close the gap between the train and the platform. The mock-up was updated as consultation went on to further test refinement of the wheelchair space and the preferred option for poles. The feedback from these trials played a fundamental part in shaping Stadler's final train design.
- 2.10 In addition to public consultation Nexus also undertook consultation with its staff on the design of the new trains. The largest consultation was with Nexus train drivers which followed a two-stage approach. Firstly the drivers were consulted on the design of the new driving cab using VR technology where over 100 drivers spent time immersed in the virtual model of the driving cab and provided insightful feedback which was used to shape the final cab designs. Taking on board the

feedback from the VR consultation Stadler manufactured a cab mock-up – a life size model of the driving cab which was used for the second stage of consultation. More than 80% of drivers were able to visit the mock-up as part of a month-long consultation exercise and the feedback, which was overwhelmingly positive, was fed back into the design process to refine Stadler’s final cab design.

- 2.11 The main changes to the train interior design resulting from the public consultation are as follows;
- Extra seats – 12 tip seats added in multi-use areas; feedback from Newcastle University’s OpenLab online consultation.
 - Handrails replacing perches in wheelchair areas; learning from specialist users through VR augmented mock-up user group trials.
 - Wall colours changed to create better contrast; recommendation from customer service teams.
 - Double poles in door vestibules and yellow finish; customer preference from online options.
 - Seat and divider decals providing a balance of visibility with transparency; Bespoke Nexus led design shaped by customer preference in consultation.

2.12 Emerging from the train design process and the various consultations which have spanned almost 8 months are a set of designs that Nexus feel have achieved the design principles and will deliver a train design that will enable Nexus to meet the needs of its customers over the 35 year life of the trains.

- 2.13 The main features of the final design are as follows;
- Open-plan layout with stand-back areas to create more space for customers.
 - 116 seats, exceeding Nexus’ original specification.
 - Four dedicated wheelchair spaces in addition to two new multi-use areas.
 - Sliding step at each door.
 - Digital information screens visible from 90% of seats – and 100% of priority seats.
 - Iconic branding built on Metro’s heritage.

Further public consultation will take place prior to the first new trains entering passenger service, as Nexus reviews current policies on the carriage of bicycles, scooters and mobility vehicles taking into account the layout and improved accessibility of the new fleet alongside the architecture of existing station environments.

2.14 Images of the final Metro train design are included in Appendix C.

3. Reasons for the Proposals

3.1 The reasons for the proposals are to advise the committee of the progress to date, the new train designs and the next steps associated with Nexus’ Fleet Replacement Programme.

4. Alternative Options Available

4.1 The report is for information so no alternative options are relevant.

5. Next Steps and Timetable for Implementation

5.1 The high-level programme milestones are listed below;

Activity	Target Date
Commence train component manufacturing	August 2021
Commence train assembly process	December 2021
New train maintenance depot operational	June 2022
Delivery of first test train	November 2022
First train to enter passenger service	July 2023
Introduction of new fleet	July 2023 – End 2024

6. Potential Impact on Objectives

6.1 The proposal for delivering the Fleet Replacement Programme is critical to meeting objectives set out in the Metro and Local Rail Strategy, 2016, particularly in terms of:

- providing Metro and local rail services that are reliable, accessible and comfortable with high levels of customer satisfaction, within available resources; and
- to grow the Metro and local rail network and their modal share as part of an integrated public transport network.

6.2 The proposal for delivering the Fleet Replacement Programme serves as a reminder that the Transport Plan is in action, specifically;

- We will invest in Metro and local rail to extend and improve the network.

7. Financial and Other Resources Implications

7.1 Nexus' Director of Finance and Resources confirms that funding totalling £362m is available for the Programme comprising £337m of capital grant from central government together with a £25m local contribution.

7.2 Expenditure incurred until the end of financial year 2020/21 amounted to £73m, with £289m of expenditure expected through to the end of 2025/26. In order to aid its cashflow, Nexus claims grant from DfT on a monthly basis. At this point in time, there are no indications that the overall funding envelope will be insufficient.

8. Legal Implications

8.1 There are no direct legal requirements or implications from the proposals within this report.

9. Key Risks

- 9.1 In order to ensure the Programme delivery is successful, Nexus has developed a fully monetised comprehensive risk register which is in place and is reviewed and updated periodically.
- 9.2 At the time of drafting this report the main risks associated with the proposals are;
- i. Changing UK and international restrictions to control the spread of COVID-19 remains a constant dynamic threat to the programme. As yet no significant issues have materialised.
 - ii. There is a risk of encountering onerous ground conditions at Gosforth Depot. As yet no issues have materialised.
 - iii. There is a risk that Nexus infrastructure will not be in accordance with requirements placing the delivery of the new fleet at risk. A project is underway to undertake infrastructure works and is scheduled to be completed prior to train delivery.

10. Equality and Diversity

- 10.1 The design of the new Metro trains is fully compliant with the latest accessibility guidelines from Government and The Rail Vehicle Accessibility (Non-Interoperable Rail System) Regulations 2010.
- 10.2 Nexus' Disabled Person's Protection Policy (DPPP) will be reviewed and updated where necessary to reflect the design of the new trains.

11. Crime and Disorder

- 11.1 There are no direct crime and disorder implications arising from the proposals within this report.

12. Consultation/Engagement

- 12.1 There are no specific consultation/engagement implications arising from the proposals within this report.

13. Other Impact of the Proposals

- 13.1 There are no other direct implications arising from this report.

14. Appendices

- 14.1 Appendix A; Photographs capturing phases of Gosforth Depot re-construction
- 14.2 Appendix B; Photograph of Howdon Satellite Depot
- 14.3 Appendix C; Images of Nexus' new Metro trains

15. Background Papers

- 15.1 JTC TWSC, 16 January 2020; Nexus Fleet Replacement Programme Update
- 15.2 North East Joint Transport Committee, 18th June 2019; Update on the new Metro fleet procurement ahead of (BAFO) stage
- 15.3 TNEC, 19th April 2018; Metro Futures New Fleet Procurement Update
- 15.4 NELB, 16th January 2018; Metro Futures and New Fleet Procurement Update
- 15.5 NELB, 30th November 2017; Metro Future Fleet Procurement Update
- 15.6 TNEC, 13th July 2017; Metro Futures update and Fleet Procurement Strategy – detailing the Fleet Specification and Depot strategy
- 15.7 TNEC, 20th April 2017; Metro Fleet specification update
- 15.8 TNEC - 9th February 2017, Summary of market research and consultation for new fleet of Metrocar design

16. Contact Officers

- 16.1 Martin Kearney, Chief Operating Officer, Nexus
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17. Sign off

- The Proper Officer for Transport: ✓
- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

DCC Depot Construction Contract

DfT Department for Transport

MMA Metrocar Maintenance Agreement

MSA Manufacture and Supply Agreement

TUPE The Transfer of Undertakings (Protection of Employment) Regulations 2006

VR Virtual Reality

Appendix A - Photographs capturing phases of Gosforth Depot re-construction







Appendix B - Photographs of Howdon Satellite Depot



Appendix C; Images of Nexus' new Metro trains

Open Plan Layout



Multi-purpose areas



Designated wheelchair space



Double poles



Customer Information



End walls – local artwork opportunity



Exterior information



Retractable step at all doors



New Livery



North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021

Subject: Nexus Corporate Performance Update 2020/21

Report of: Chief Operating Officer

Executive Summary

The purpose of this report is to provide an update on the performance of Nexus against its Corporate Business Plan for 2020/21. This report covers periods 12 and 13 (which encompass the dates 31 January 2021 to 31 March 2021), and additionally contains a summary of the entire year.

COVID-19 continued to be felt across the organisation with significant impacts on revenue and patronage. Metro patronage was down 73.1% compared to the same periods last year and down 66.4% against the target for periods 12 and 13. Metro fare revenue for the same periods was 76.6% below target. This has been fully compensated for by Light Rail Revenue Restart Grant (LRRRG) from the Department for Transport.

Over the course of the entire year patronage was 8,628,409 which was 74.6% below the patronage levels of 2019/20. Fare Revenue (£14,073,968) was 70.0% below the target set for 2020/21.

Due to the closure of national psychometric testing centres, Metro was unable to recruit to its planned summer training school. To address the shortfall of Train Crew that resulted, on 29th November, a winter timetable was introduced to provide customers with a consistent, regular service. During Periods 12 and 13, 10 new Train Crew passed into full service with another 17 Train Crew expected to complete their training in April. This allowed for a full-service timetable to be reintroduced to coincide with the lifting of COVID-19 lockdown restrictions.

Metro Punctuality for Period 12 and 13 was 89.7% which represented a 5.2% improvement on the same periods last year and was 0.7% above the periodic target.

The 13 period moving annual average (MAA) punctuality reached 87.6%, 0.4% above the target of 87.2%. This is the first time that the MAA for punctuality has exceeded target since 2012/13.

In the Customer Satisfaction Survey carried out in February 2021 the overall satisfaction with Metro score was 7.62, an improvement of 0.4 compared to the survey completed at the same point in 2020.

Ferry patronage in periods 12 and 13 was 11,054, 79.8% below target. Along with COVID-19 transport restrictions, patronage was impacted by a suspension of ferry services between 5th February 2 and 21st March due to structural damage to the North Landing.

Ferry Revenue was £45,250 which was 48.6% below the target for Periods 12 and 13. This is being partly compensated for by funding from the Ministry of Housing, Communities and Local Government (MHCLG).

In total, 150,075 ferry journeys were completed in 2020/21 which is 46.4% below target for the year. Ferry fare revenue was £304,406 which was 43.0% below target for the year.

Secured Bus Patronage for Period 12 and 13 was 382,067, 53.1% below the target for the period. Reductions in secured services fare revenues are being compensated for by Local Authority Coronavirus Bus Services Support Grant (LACBSSG) from the Department for Transport.

2,356,859 Secured Bus journeys were made across the entire year which was 53.8% below target and 61.5% below the number of journeys made in 2019/20.

Recommendations

The Tyne and Wear Sub-Committee is recommended to note Nexus' performance against the key priorities in its Corporate Plan for 2020/21, including Metro performance.

1. Background Information

- 1.1 The report provides summary information about Nexus’ progress against its Corporate Plan (CP) targets and objectives for 2021/22
- 1.2 For 2020/21 the CP has five main themes and 14 key priority work-streams.
- 1.3 A summary of the RAG (Red/Amber/Green) status for each of these workstreams is outlined below:

Safety without Compromise	
Workstream	Status
Improve our customers journey experience on Metro	Metro Punctuality has reached its highest level since 2013.
Protect and enhance our services	COVID restrictions continue to suppress patronage.
Delivering Metro Flow	The project is progressing to plan.
Progress the delivery of a new fleet for Metro	Work on the procurement of the new fleet is on schedule.
Embrace new technological improvements	Weekly Metro saver tickets are now available on the Pop card app.

Improve our customers journey experience on Metro

- 1.4 Due to the closure of national psychometric testing centres, Metro was unable to recruit to its planned summer training school. To address this short fall of Train Crew, on 29th November, a winter timetable was introduced to provide customers with a consistent, regular service. During Period 12 and 13, 10 Train Crew passed into full service with another 17 Train Crew expected to complete their training in April. This will allow for a full-service timetable to be reintroduced to coincide with the lifting of lockdown restrictions.
- 1.5 Metro Punctuality for Period 12 and 13 was 89.7% which represented a 5.2% improvement on the same periods last year and 0.7% above the periodic target.
- 1.6 The 13 period moving annual average (MAA) punctuality reached 87.6%, 0.4% above the target of 87.2%. This is the first time that the MAA has exceeded target since period 9 of 2012/13.
- 1.7 Fleet availability has continued to perform strongly with full availability being met on 97.9% of occasions during Period 12 and 13. Full fleet availability has been achieved on 99.4% of occasions during 2020/21.

- 1.8 In the Customer Satisfaction Survey carried out in February 2021 the overall satisfaction with Metro score was 7.62, an improvement of 0.4 compared to the survey completed at the same point in 2020.

Protect and enhance our services

- 1.9 COVID-19 continues to be felt across the organisation with significant impacts on revenue and patronage. Metro Patronage is down 73.1% against the same periods last year and down 66.4% against the target for periods 12 and 13. Metro Fare Revenue for Periods 12 and 13 was £1,794,507 which was 68.8% below target.
- 1.10 Over the course of the entire year patronage was 8,628,409 which was 73.9% below the patronage levels of 2019/20 and 74.6% below the patronage targets for 2020/21. Fare Revenue (£14,073,968) was also 70.0% below the target set for 2020/21. The shortfall in fare revenue is being fully compensated for by Light Rail Revenue Restart Grant (LRRRG) from the Department for Transport
- 1.11 Ferry patronage in periods 12 and 13 was 11,054, 79.8% below target. Along with COVID restrictions, patronage was impacted by a suspension of ferry services between 5th February and 21st March due to North Landing structural damage and concerns around passenger safety.
- 1.12 Ferry Revenue was £45,250 which was 48.6% below the periodic target. This is being partly compensated for by funding from the Ministry of Housing, Communities and Local Government (MHCLG).
- 1.13 150,075 ferry journeys were completed in 2020/21 which is 46.4% below target for the year. Ferry fare revenue was £304,406 which was 43.0% below target for the year.
- 1.14 Secured Bus Patronage for Period 12 and 13 was 382,067, 53.1% below the target for the period.
- 1.15 2,356,859 Secured Bus journeys were made across the entire year which was 53.8% below target and 61.5% below the number of journeys made in 2019/20. Reductions in secured services fare revenues are being compensated for by Local Authority Coronavirus Bus Services Support Grant (LACBSSG) from the Department for Transport.

Delivering Metro Flow

- 1.16 Work on Metro Flow is progressing to plan. The draft Full Business Case was submitted to the DfT in March. An early contract award has been agreed with the DfT resulting in a 4-month programme saving with contract award now scheduled for 15th May rather than 13th September.

Progress the delivery of a new fleet for Metro

- 1.17 The impacts of COVID-19 on the delivery of the new depot and fleet are under continual review and regular dialogue is taking place with Stadler Rail and its contractors to identify any implications the crisis may have on delivery. Delays have so far have largely been mitigated however the continuous changes to local and

international restrictions remain a threat to the delivery of the programme.

- 1.18 During the period, the demolition of the south east corner of Gosforth depot was completed, the specialist user group consultation and the driver consultation were completed using the cab and interior train mock-ups. The final train design reviews commenced according to programme.

Embrace new technological improvements

- 1.19 The Pop app was launched in November allowing passengers to use their mobile phones to purchase and store their weekly Metro saver tickets.

- 1.20 Work on a mobile ticketing solution for adult Pay As You Go (PAYG) tickets is progressing to plan with an expected launch in Spring 2021.

1.21

Customer Experience	
Workstream	Status
Develop a pipeline of capital projects	A pipeline of capital projects is under development for future funding opportunities.
Develop plans to improve the local bus network	Partnership work with bus operators to prepare for the publication of the National Bus Strategy.
Establish effective management structures	Responsibility for local rail services has now transferred to Transport North East.

Develop a pipeline of capital projects

- 1.22 In addition to the funded capital investment programme, a range of projects are under development to create a pipeline of capital schemes for future funding opportunities..

- 1.23 Horizon scanning for potential funding opportunities continues. Funding has been sought via the North East LEP for development funding to help work up schemes to Outline Business Case / Stagegate 3 to ensure that schemes are in a strong position for any future funding opportunities. In addition, Nexus continues to seek alternate funding for the project to relocate the North Bank Ferry landing to the Fish Quay.

Develop plans to improve the local bus network

- 1.24 Nexus is participating in the project led by Transport North East with commercial operators and local authorities to drive a recovery in bus passenger numbers through new partnerships. Nexus is also leading a project to launch a smart multi-modal season ticket which can be used across bus, Metro and Shields Ferry services in Tyne and Wear, on behalf of Network One and bus operators.

Establish effective management structures to improve local rail services

1.25 Responsibility for local rail services has now transferred to Transport North East.

Assets and Technology	
Workstream	Status
Implement organisational change	Recovery Plan has been developed for HMT to secure funding support for 2021/2022.
Continue to modernise the Metro	Renewal works continue to take place as planned.
Ensure our people have the skills to deliver our vision	The current training school of 27 train crew is progressing well.
Provide opportunities with schools, colleges and Universities	Over 750 applications were received for 10 apprentice posts advertised earlier this year.
Increase the diversity of the workforce	A new recruitment portal was launched in October which will allow better reporting a monitoring of diversity statistics during recruitment.

Implement organisational change

- 1.26 Following work with DfT and HM Treasury we have secured Light Rail Restart Grant and Local Authority Coronavirus Bus Services Support Grant funding to offset fare and commercial revenue losses for the rest of 2020/21.
- 1.27 We have submitted a recovery plan to the DfT and HM Treasury to secure agreement for ongoing revenue support in 2021/22 and negotiations are on-going on the funding package.

Continue to modernise the Metro

- 1.28 A 14-day closure between South Gosforth and Felling was completed successfully on 1 March 2021, allowing the renewal of 16km of overhead line in the central corridor, the busiest section of the network. The closure also provided an opportunity to efficiently undertake additional works without further disruption to the Metro Service. This included station and footbridge painting and remedial works, platform compliance works, signalling works, line side vegetation works, installation of escalator sanitisers and installation of energy efficient LED lighting at Gateshead Interchange.
- 1.29 The essential work to ensure network wide platform track interface compliance is progressing to plan and is scheduled to complete in April.

Ensure our people have the skills to deliver our vision

- 1.30 In March, 10 trainee Train Crew passed into full service with the 17 remaining trainees expected to finish their training in April.

Provide opportunities with schools, colleges and Universities

- 1.31 Over 750 applications were received for 10 apprentice vacancies advertised in January, these applications are now being processed.

Increase the diversity of the workforce

- 1.32 An E-recruitment portal was launched in October allowing for greater tracking of diversity in the recruitment process.

2. Proposals

- 2.1 There are no proposals in the performance monitoring update.

3. Reasons for the Proposals

- 3.1 Not applicable to a performance monitoring update.

4. Alternative Options Available

- 4.1 No alternatives arise in respect of this performance update.

5. Next Steps and Timetable for Implementation

- 5.1 A concise report updating on Nexus' performance will be presented to each scheduled meeting of the Tyne and Wear Sub-Committee.

6. Potential Impact on Objectives

- 6.1 Monitoring of Nexus' performance helps to provide assurance that local transport policies and objectives are being implemented efficiently and effectively.

7. Financial and Other Resources Implications

- 7.1 Nexus' Director of Finance and Resources confirms that there are no direct financial implications arising from this report.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this 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, including the review of Nexus' corporate risk register.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

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

13. Other Impact of the Proposals

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

14. Appendices

14.1 None

15. Background Papers

15.1 Nexus Corporate Business Plan 2020/21 as considered and approved at the Sub-Committee's meeting in January 2020.

16. Contact Officers

16.1 Martin Kearney
Chief Operating Officer
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17. Sign off

- The Proper Officer for Transport: ✓
- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

Any acronyms or technical terms used are explained in the body of the report.

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North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021
Subject: Nexus Corporate Performance Update 2021/22
Report of: Chief Operating Officer

Executive Summary

The purpose of this report is to provide an update on the performance of Nexus against its Corporate Business Plan for 2021/22. This report covers Period 1 which encompasses 1 April 2021 to 1 May 2021.

In Period 1 of 2021/22, Metro Patronage was 1,247,876 which is 11.3% below the periodic target and 51.2% below the patronage levels of same period in 2019/20, the last comparable pre-pandemic period.

Metro Fare revenue was £1.801m which is 7% below the periodic target of £1.936m.

Following the completion of our largest ever training school, our Train Crew establishment is now complete. This allowed a full Metro timetable to be reintroduced on 11th April, coinciding with the reopening of retail and hospitality services.

Metro Punctuality in Period 1 was 90.1% which is 0.6% above the periodic target of 89.5% whilst the 13-period moving annual average (MAA) was 87.3% which is 0.1% above target. This maintains Metro's strongest period of performance since 2012/13

Ferry Patronage in period 1 was 24,816 which is 2.4% above target whilst Ferry fare revenue was £22,969 which was 34% above target.

Secured Bus Patronage was 269,868 which is 226% over target for the period whilst fare revenue was £153,574 which was 88% above target for the period which was £81,686. This represents a significantly stronger than expected recovery of passengers on secured bus services.

Recommendations

The Tyne and Wear Sub-Committee is recommended to note Nexus' performance against the key priorities in its Corporate Plan for 2021/22, including Metro performance.

1. Background Information

- 1.1 The report provides summary information about Nexus' progress against its Corporate Plan (CP) targets and objectives for 2021/22
- 1.2 For 2020/21 the CP has five main themes and 14 key priority work-streams.
- 1.3 A summary of the RAG (Red/Amber/Green) status for each of these workstreams is outlined below:

Safety without Compromise	
Workstream	Status
Embed a 'Safety First' Culture	Safety stand down days for staff are being developed.
Reduce incidents of Signals Passed at Danger (SPADs)	SPADs are below forecast levels
Reduce anti-social behaviour	Initiatives to reduce levels of ASB are progressing to plan.

Embed a 'Safety First' Culture

- 1.4 At the end of P1, Nexus had gone more than 280 days since our last RIDDOR reportable accident whilst our Metro Infrastructure team had gone over 500 days since it's last RIDDOR reportable accident.
- 1.5 Work on developing a series of 'Safety stand down' days for staff is progressing to plan whilst we also continue to produce 'Safety without compromise' videos for staff which cover lifesaving rules and other safety news.

Reduce incidents of Signals Passed at Danger (SPADs)

- 1.6 At end of P1 Nexus was below the forecast number of SPADs for the year to date.
- 1.7 We regularly review and refresh our SPAD reduction plans to reduce the likelihood of SPADs occurring on our network.

Reduce anti-social behaviour

- 1.8 We are working with Northumbria Police, British Transport Police and Local Authorities to reduce the number of incidents of ASB on the network.
- 1.9 A Security Working Group has been established bringing together colleagues from across the organisation to implement the recommendations made in a recently completed external security review.

1.10

Customer Experience	
Workstream	Status
Invest in our infrastructure	Work on Metro Flow and the Fleet Replacement Programme is progressing to plan.
Products and Payments	A number of improvements to our products and payments offer have been implemented in P1.
Customer Services	Patronage has recovered well since the lifting of lockdown restrictions.

Invest in our infrastructure

- 1.11 Work on Metro Flow is progressing to plan. The draft full business case was submitted to the DfT in March. An early contract award has been agreed with the DfT resulting in a 4-month programme saving with contract award now scheduled for 15th May rather than 13th September.
- 1.12 Work on the delivery of the new depot and train fleet is progressing to plan. Any impacts of COVID-19 on the programme will be managed through regular dialogue between Nexus and Stadler Rail.

Products and Payments

- 1.13 The transformation of products and payments to more convenient and cashless choices continues with Junior Blue pay-as-you-go cards and HCE mobile ticketing launched in P1 with strong uptake from customers. Network One all-zone season tickets will move to the Pop smartcard in June, in addition to all weekly and four-weekly variants being available from Metro ticket machines.
- 1.14 More of Metro ticket machines will be converted to card-only or coin-and-card only operation during the summer, reflecting the fact that over 70% of customers now use cash-free payment methods.
- 1.15 Refunds for disrupted Metro journeys are now offered by BACs transfer rather than cheque, in a change that makes the process more convenient for the customer.
- 1.16 Online application for concessionary passes, including Under 16 Cards, is operating smoothly following the closure of Travelshops in 2020. There have been approximately 15,100 successful online applications for new or replacement ENCTS cards and 7,202 online applications for Under 16 cards between April 2020 and June 2021, backed up by a postal process for those without internet access.

Customer Services

- 1.17 Metro Patronage in Period 1 was 1,247,876 which is 11.3% below the periodic target but is 51.2% of the patronage levels of same period in 2019/20, the last comparable pre-pandemic period.

- 1.18 Metro Punctuality in Period 1 was 90.1% which is 0.6% above the periodic target of 89.5% whilst the 13 period moving annual average (MAA) was 87.3% which is 0.1% above target. This maintains Metro’s strongest period of performance since 2012/13.
- 1.19 Following the completion of our largest ever training school, our Train Crew establishment is now complete, this allowed a full Metro timetable to be reintroduced on 11th April, coinciding with the reopening of retail and hospitality services.
- 1.20 With the easing of COVID restrictions, marketing activity in the period was increased covering passenger reassurance around COVID-secure travel, the increase in service frequency and travel to leisure activities. [An example of our marketing activity can be found here.](#)
- 1.21 Nexus is participating in the project led by Transport North East with commercial operators and local authorities to drive a recovery in bus passenger numbers through new partnerships.

Assets and Technology	
Workstream	Status
Improve our physical assets	Overhead Line renewals work planned in Period 1 was completed to plan.
Technology	Nexus is leading on a smart multi modal ticketing project.

Improve our physical assets

- 1.22 During Period 1 overhead line renewals works were completed between Regent Centre and the Airport, replacing 3.2km of overhead line.
- 1.23 Platform Compliance work across the same part of the network was also completed during the period.
- 1.24 Full fleet availability was met on 92.5% of occasions in Period 1, this is 7.5% below target. Fleet availability in Period 1 has been affected by four non-RVAR (Rail Vehicle Accessibility Requirements) compliant cars being removed from service for repairs to their PA and PID systems.

Technology

- 1.25 Nexus is leading a project to launch a smart multi-modal season ticket which can be used across bus, Metro and Shields Ferry services in Tyne and Wear, on behalf of Network One and bus operators.

Sustainability	
Workstream	Status
Improve environmental performance	Work on our Environment and Energy strategy is progressing to plan.
Manage our financial standing	We are working with DfT and HM Treasury to secure funding for 2021/22

Improve environmental performance

- 1.26 Our Environment and Energy Strategy is progressing to plan with formal sign off expected in July.

Manage our financial standing

- 1.27 Nexus will continue receive Light Rail Restart Grant and Local Authority Coronavirus Bus Services Support Grant funding to offset fare and commercial revenue losses until 21 June 2021.
- 1.28 We have submitted a recovery plan to the DfT and HM Treasury to secure agreement for revenue support in 2021/22 and negotiations are on-going on the funding package.
- 1.29 Metro Fare revenue was £1.801m which is 7% below the periodic target of £1.936m.
- 1.30 Ferry fare revenue was £19,565 which was 40.3% above target.
- 1.31 Secured Bus fare revenue was £153,574 which was 88% above target for the period which was £81,686

Transform our organisation to be agile, innovative and inclusive	
Workstream	Status
Represent the communities we serve	We are updating our recruitment policy
Learning and Development	We have launched a leadership development programme
Engagement	Quarterly employee engagement surveys are taking place.

Strategy	Work on a number of strategies are progressing to plan.
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Represent the communities we serve

- 1.32 Our recruitment policy is currently being updated to improve our engagement with underrepresented groups.
- 1.33 'A great place to work, for all of us' pledge on equality, diversity and inclusion was issued to all of our employees as part of our work to be more representative of the communities we serve.

Learning and Development

- 1.34 We have developed a leadership development programme for our Senior Leadership team and Heads of Service. The formal programme started in March and will be completed in December. It is made up of three strands:
 - Self-Leadership
 - People Leadership
 - Enterprise Leadership.
- 1.35 This is the first leadership programme which Nexus has undertaken in over ten years. Its aim is to be challenging as well as practical, giving staff tools they can use in their roles in the organisation. This programme will be followed up with future programmes to support managers and staff at other levels in the organisation.

Engagement

- 1.36 We have implemented a new employee engagement process, providing colleagues with more touch points with which to provide us with their views.

Strategy

- 1.37 In Period 1 we have finalised our safety and security strategy whilst work on our customer experience, customer information and energy and environment strategies are progressing to plan.

2. Proposals

- 2.1 There are no proposals in the performance monitoring update.

3. Reasons for the Proposals

- 3.1 Not applicable to a performance monitoring update.

4. Alternative Options Available

4.1 No alternatives arise in respect of this performance update.

5. Next Steps and Timetable for Implementation

5.1 A concise report updating on Nexus' performance will be presented to each scheduled meeting of the Tyne and Wear Sub-Committee.

6. Potential Impact on Objectives

6.1 Monitoring of Nexus' performance helps to provide assurance that local transport policies and objectives are being implemented efficiently and effectively.

7. Financial and Other Resources Implications

7.1 Nexus' Director of Finance and Resources confirms that there are no direct financial implications arising from this report.

8. Legal Implications

8.1 There are no direct legal considerations arising from this 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, including the review of Nexus' corporate risk register.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

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

13. Other Impact of the Proposals

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

14. Appendices

14.1 None

15. Background Papers

15.1 Nexus Corporate Business Plan 2021/22 as considered and approved at the Sub-Committee's meeting in January 2021.

16. Contact Officers

16.1 Martin Kearney

Chief Operating Officer

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Tel: 0191 2033500

17. Sign off

- The Proper Officer for Transport: ✓
- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

Any acronyms or technical terms used are explained in the body of the report.

North East Joint Transport Committee, Tyne and Wear Sub-Committee

Date: 8 July 2021
Subject: Nexus Corporate Risk Register 2021-22
Report of: Chief Operating Officer

Executive Summary

The purpose of this report is to provide an update on the Nexus Corporate Risk Register for 2021/22 based on the approved Corporate Plan and demonstrates that these risks are being properly managed and controlled.

During May 2021, Nexus undertook a formal review of its risk register in line with the Corporate Plan for 2021/22, which the Sub-Committee approved at its January meeting.

A detailed explanation of the risks for 2021/22 is provided in the appendix including the current Red/Amber/Green (RAG) status, target RAG status and the direction of travel, where applicable. Each risk has a detailed explanation of the nature of the risk, together with controls, milestones/next steps.

As part of the review no risks changed their overall risk score however updates have been made to controls, milestones and next steps in a number of different risks.

There are currently 5 risks which currently have a Red status;

Three risks; Long Term Funding for Metro, Frontline Services and Discretionary Travel Schemes – Metro Services and Patronage Recovery are red as a result of the lack of a multiyear emergency/recovery funding arrangement with HMT and DfT.

The North Shields Ferry Landing risk is Red due to the project currently being unfunded due to the delivery timescales being incompatible with the timescales for the 'Get Building' fund. Additional funding is being sought to progress the development of the project to be ready for future funding opportunities.

The Efficiency of Delivery of Capital Programme risk is red due to the lack of a long term funding arrangements for asset renewals.

Recommendations

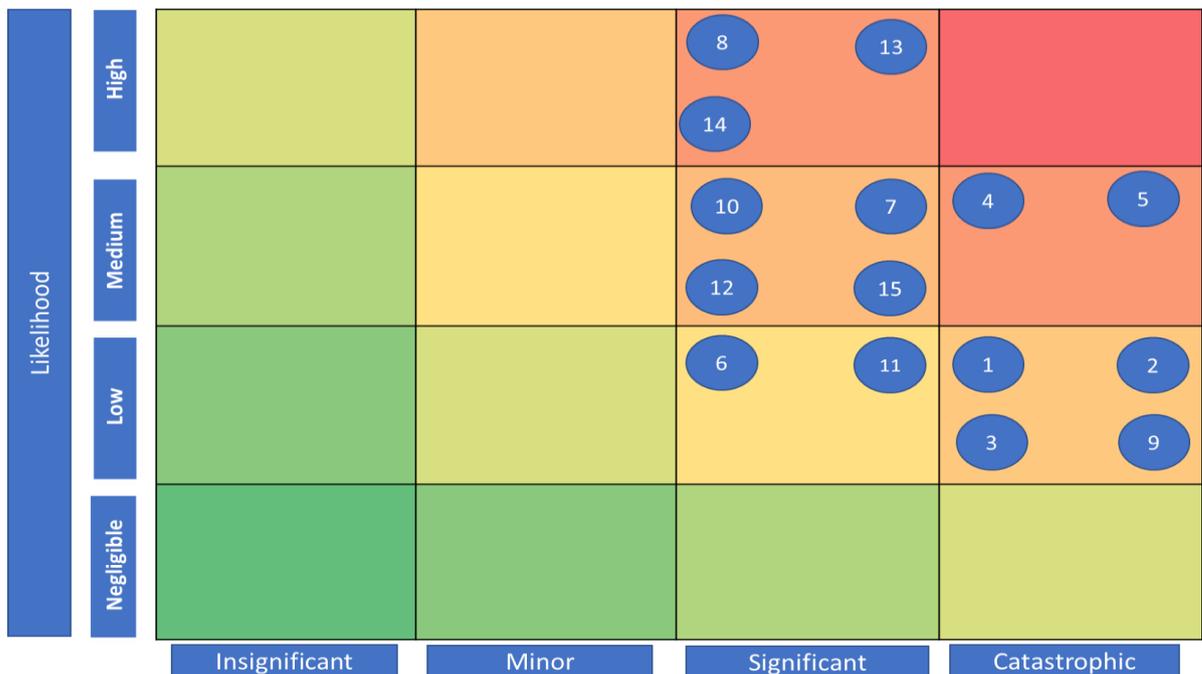
The North East Joint Transport Committee, Tyne and Wear Sub-Committee is recommended to receive and note this update on Nexus' Corporate Risk Register for 2021/22

1. Background Information

- 1.1 As part of its governance framework Nexus maintains a Corporate Risk Register. Nexus defines its corporate risks as those which, if the risk occurred, could have adverse consequences for the achievement of the Corporate Business Plan.
- 1.2 The Corporate Plan for 2021/22 was approved by the Sub-Committee at its meeting in January 2021 and subsequently Nexus undertook a formal review of the risk register to ensure its alignment to the approved plan. The Sub-Committee receives an update on Nexus' Corporate Risks at each of its meetings.

2. Proposals

- 2.1 Nexus has undertaken a formal review of the Corporate Risk Register for 2021/22. The chart below shows an overview of the likelihood and impact of each risk.



2.6

The table below shows a summary of the risks changed since the last review

	Risk	Summary of Changes	RAG status
1	Catastrophic safety event	No change from previous review.	↔ (Stable)
2	Catastrophic security event	No change from previous review.	↔ (Stable)
3	Metro Performance	Milestone due dates updated.	↔ (Stable)
4	Long Term funding for Metro	Target date of recovery funding action updated.	↔ (Stable)
5	Frontline services and discretionary travel schemes – Metro services	Target date of recovery funding action updated.	↔ (Stable)
6	Frontline services and discretionary travel schemes – non Metro services	Target date of recovery funding action updated.	↔ (Stable)
7	Procurement of the new design, build, maintain and provide contract for the fleet/depot	Milestone “Commence variation for additional trains for Metro Flow” removed as now completed.	↔ (Stable)
8	Efficiency of Delivery of the Capital Programme	Controls updated to reflect completion of work resource plan for 2022/23 Develop work resource plan for 22/23 milestone removed following its completion.	↔ (Stable)

9	Cybersecurity	No change from previous review	↔ (Stable)
10	Products and Payments Offer	New control added - Integrated Smart Ticketing programme established	↔ (Stable)
11	Funding Bids	No change from previous review	↔ (Stable)
12	Anti-Social Behaviour	New control added following the completion of the body worn cameras for staff 'next step'.	↔ (Stable)
13	Patronage Recovery	Target date of recovery funding action updated.	↔ (Stable)
14	Relocation of Ferry Landing	Risk description updated New Controls added following the loss of time limited grant funding. Revisions made to timescales based on loss of grant funding.	↔ (Stable)
15	Delivery of Metro Flow	Milestones relating to award of contract removed following contract award in May 2021.	↔ (Stable)

2.2 Nexus will provide the Sub-Committee with an update on the position of the Corporate Risks at each of its meetings throughout 2021/22.

3. Reasons for the Proposals

3.1 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 scheduled meeting. Together

these reports support the Sub-Committee in meeting its delegation under the JTC's Standing Orders (Part 4.1 refers) to monitor and oversee the performance of Nexus.

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 scheduled meeting of the Sub-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 and mitigate them

7. Financial and Other Resources Implications

7.1 There are no direct financial implications for the Authorities regarding the management of Nexus' CRR

8. Legal Implications

8.1 There are no specific legal implications for the Authorities arising directly from this report, other than ensuring compliance with the Constitution and Standing Orders

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 2021/22 which was previously reported to and noted by the Sub-Committee at its meeting on 14 January 2021.

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 the respective 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' 15 risks for 2021/22
Appendix 2 shows the controlled and uncontrolled risk scores for each risk
Appendix 3 shows the risk matrix applied

15. Background Papers

15.1 Nexus' Corporate Plan 2020/21 as submitted to and approved by the Sub-Committee at its meeting on 14 January 2021

16. Contact Officers

16.1 Martin Kearney
Chief Operating Officer
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Tel: 0191 2033500

17. Sign off

17.1

- The Proper Officer for Transport: ✓
- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

18.1 **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 Plan and therefore the successful delivery of the JTC'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.

Action Owners – 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.

Appendix 1 – Nexus Corporate Risk Register for 2021/22

CP Theme: Safety without compromise CP Workstream: Put Safety and Security at the heart of everything we do		
Risk Area: Catastrophic security related event Risk Owners: Chief Operating Officer	RAG Status (Amber)	Direction of Travel
	8(2x4)	↔ (stable)
	Target RAG Status	
8(2x4)		
Risk: In running any operational public transport infrastructure there is an inherent risk that a catastrophic security related event may occur, such as a terrorism incident.		
Impact/Consequence(s): The consequences of a catastrophic security related event on Metro, bus and ferry could be very significant including: <ul style="list-style-type: none"> • In the event of a catastrophic safety related incident the possibility for multiple loss of life. • lengthy loss or reduction of service • likely loss of business with potential long term impact on patronage, • protracted legal issues to resolve, • fines to pay, impact on insurance and other cost increases. 		

Next Steps/Key Milestones:	Action owner	Due Date
Individual station security plans have now been completed for all 60 stations in accordance with the Department for Transport requirements -still awaiting confirmation from the DfT in regard to station categorisation formulae.	Head of HSQE	Mar 22
Securing DfT approval to an overall security plan for the Metro: Security plan is drafted and requires checking prior to submission to DfT Land Transport Security Team.	Head of HSQE	Ongoing
Implement actions identified in independent security review.	Head of HSQE	Various
<p>Controls:</p> <ul style="list-style-type: none"> • A safety management system which is independently accredited by the Office of Rail and Road and overseen by other regulatory bodies. • Identification of catastrophic security events we aim to avoid and strive to control, through having robust plans in place. • Continuously monitoring & controlling the precursors of these events with a detailed 2-weekly safety reporting to Nexus' Senior Leadership Team and weekly safety briefing. • Produce and implement an annual safety plan for approval by Nexus Executive Board. • Undertaking in-house safety assurance activity as part of everyday safety management practice. • Participating in joint emergency preparedness exercises with the blue-light services and other interested parties, including a series of exercises with Northumbria Police firearms unit, including rapid access to a loaded Metrocar. • Receiving regular updates on the current threat from international terrorism. • Customer Support Team introduced to provide additional presence around the network. 		

CP Theme: **Safety without compromise**

CP Workstream: **Put safety and security at the heart of everything we do**

Risk Area: Catastrophic Infrastructure or operations event	RAG Status (Amber)	Direction of Travel
Risk Owners: Chief Operating Officer	8(2x4)	↔ (stable)
	Target RAG Status	
	8(2x4)	

Risk: In running any operational public transport infrastructure there is an inherent risk that a catastrophic infrastructure or operations event.

Impact/Consequence(s):

The impact/consequences should a catastrophic infrastructure or operations event occur on Metro, bus and ferry could be very significant including:

- In the event of a catastrophic safety related incident the possibility for multiple loss of life.
- lengthy loss or reduction of service
- likely loss of business with potential long term impact on patronage,
- protracted legal issues to resolve,
- fines to pay, impact on insurance and other cost increases

Controls:

- A safety management system which is independently accredited by the Office of Rail and Road and overseen by other regulatory bodies.
- Robust arrangements for the selection and management of contractors.
- Monitoring of assets and development of fail safes and mitigation plans in the event of catastrophic failure of a key assets.
- Development of business continuity plans for significant failure of an asset or infrastructure to ensure service continuity.
- Maintaining a comprehensive suite of engineering standards in all relevant disciplines based on industry best practice.
- Continuously monitoring & controlling the precursors of these events with weekly safety reporting to Nexus' Senior Leadership Team.
- Produce and implement an annual safety plan for approval by Nexus Executive Board.
- Continuing to engender an organisational safety and security culture including implementation of "all orange + hardhat" PPE policy, expanded the scope of non-technical skills work, promote the application of the 'Just Culture' principles, expanding the scope of safety tours.
- Launched life saving rules
- SPAD working group implemented to review opportunities to reduce the number of SPADs.

Next Steps/Key Milestones:	Action owner	Due Date
Deliver on the actions outlined in the 2021/22 Safety Plan.	Head of HSQE	Mar 22
Developing and delivering a programme to reduce planned work using unassisted Lookout protection.	Head of HSQE	Dec 21
Focus on improvements in driver selection, training and post qualification support to continue to reduce the number of SPADs on the network.	Head of HSQE	Aug 21

CP Theme: **Customer Experience**

CP Workstream: **Grow patronage and improve our customer experience**

Risk Area: Metro Performance	RAG Status (Amber)	Direction of Travel
Risk Owners: Chief Operating Officer	8 (2x4)	↔ (stable)
	Target RAG Status	
	8(2x4)	

Risk: That there are significant issues which impact on the performance of the Metro system, including but not limited to ageing fleet, or prolonged reduction in infrastructure asset condition specifically the Overhead Line, or availability of resources to operate. A lack of a long term funding agreement for asset renewal could result in asset performance declining.

Impact/Consequence(s): 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.

Control(s):

- Overhead line ARP replacement programme over the next five financial years.
- Close monitoring of key business results such as punctuality, excess headway minutes and asset reliability.
- Implement better performance management processes such as "right time" departure monitoring.
- Delivery of the Essential Renewals programme for 2021-22.
- Development of a performance awareness and improvement workstream to heighten awareness across the organisation and promote improvement.
- Implement plans to ensure resilience of digital assets associated with the operation of Metro.
- Working closer with the new Network Rail North Eastern structure to address performance issues from Pelaw to South Hylton.
- OLE Renewal Programme has been reprioritised for efficacy of delivery.
- Funding has been agreed to support essential renewals beyond March 2021 and work to secure further funding is ongoing.
- Capacity to train 90 new drivers a year if required.
- Quarterly Performance Management meetings with Stadler
- Customer Support Team have been introduced to provide support and reassurance to passengers on the network.
- "Assets at a Glance" drawings which identify specific problem areas and single points of failure.

<ul style="list-style-type: none"> Established improvement plans for key assets such as lifts, escalators and signal track circuits. Periodic review of asset maintenance plans 		
Next Steps/Milestones	Owner	Due date
Changes to the delay attribution process to reflect right time running	Metro Operations Director	Jun 21
Implement new Train Crew Agreement, commenced, to be completed by July 2021 to allow greater flexibility of Train Crew resource.	Metro Operations Director	Jul 21
Implement actions identified in Metro Recovery Plan	Various	Various
Establish renewed possession planning principles to reduce disruption to passengers	Major Projects Director	Jun 21
Review winter preparedness plans	Metro Infrastructure Director	Sep 21
Complete ICT network refresh to improve resilience of digital assets	Head of BCT	Apr 22

CP Theme: **Sustainability**

CP Workstream: **Manage our financial standing**

Risk Area: Long term funding for Metro Risk Owners: Director of Finance and Resources	RAG Status (Red)	Direction of Travel
	12 (3x4)	↔ (stable)
	Target RAG Status	
	3 (1x3)	

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 external funding could lead to a diminution in service and failing infrastructure. Funding for Essential Renewals of Metro infrastructure has been agreed for 2021-22, however a longer-term funding agreement has not yet been agreed. Further emergency support leading into recovery funding for COVID-19 related losses has yet to be agreed for 2021/22.

- Controls**
- Effective liaison with DfT including 4-weekly progress reporting on the current Essential Renewals programme 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.

Next Steps/Milestones	Owner	Due date
Pursue and agree multiyear emergency/recovery funding arrangement with HMT and DfT.	Director of Finance and Resources	June 21
Continue to work with HMT and DfT to secure a long term asset funding agreement	Director of Finance and Resources	Nov 21
Review potential funding opportunities	Head of Corporate Planning	Ongoing

Ensure efficient and effective project delivery	Major Projects Director	Ongoing
Ensure effective programme management and prioritisation of projects with regard to available funding	Head of Programme Assurance	Ongoing
Nexus' input to the quarterly monitoring of the Capital Programme submitted to the JTC	Director of Finance and Resources	Quarterly

CP Theme: **Sustainability**

CP Workstream: **Manage our Financial Standing**

Risk Area: **Frontline services and discretionary travel schemes – Metro Services**

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

**RAG Status
(Red)**

12 (3x4)

**Target RAG
Status**

3(1x3)

**Direction of
Travel**

**↔
(stable)**

Risk: The COVID-19 pandemic has significantly impacted on public transport patronage and revenue. Whilst emergency/recovery funding has been sought from Central Government to support Metro, the risk is that any funding agreement may not be adequate to support Metro operations in 2021/22 and beyond. LRRRG funding has been confirmed until 21 June 2021 however there is no certainty of funding for losses due to COVID-19 beyond that point.

Impact/Consequence(s): If Nexus is unable to access adequate emergency funding from Central Government for losses due to COVID-19 on Metro, Nexus will need to consider implementing reductions in frontline Metro services or as an alternative, may require transport levy funding currently allocated to bus and ferry services to be reallocated to support Metro operations.

Controls

- Monitoring of public transport patronage during the pandemic, undertake research through the insight panel to gain intelligence on trends and passenger behaviours.
- Undertake benchmarking and intelligence gathering from other Cities, through UITP, UTG and Comet/Nova.
- Discussions with Chief Executives and Treasurers in order to obtain strategic financial guidance.
- Deferring all but non-essential expenditure and vacancy control measures implemented
- Regular financial monitoring to Nexus' Senior Leadership Team and Executive Board.

Next Steps/Milestones	Owner	Due date
Pursue and agree multiyear emergency/recovery funding arrangement with HMT and DfT.	Director of Finance and Resources	June 21
Implement plans to drive patronage growth on Metro following the relaxation of travel restrictions.	Various	Ongoing
Continue to work with HMT and DfT to secure a long term asset funding agreement	Director of Finance and Resources	Ongoing
Nexus' input to the quarterly monitoring of the Revenue Budget and Capital Programme expenditure reports submitted to the JTC.	Director of Finance and Resources	Quarterly

CP Theme: **Sustainability**

CP Workstream: **Manage our Financial Standing**

Risk Area: Frontline services and discretionary travel schemes – Non-Metro Services Risk Owners: Director of Finance and Resources	RAG Status (Green)	Direction of Travel ↔ (stable)
	6(2x3)	
	Target RAG Status	
	3 (1x3)	

Risk: Funding for discretionary travel schemes and non-Metro services has been largely secured for 2021/22, although should emergency financial support from HMT/DfT for Metro not be forthcoming, this could impact on funding from the transport levy for discretionary travel schemes and non-Metro services.

Impact/Consequence(s): If Nexus are unable to secure adequate emergency funding from central government then it may be necessary to review how the levy agreed with JTC is allocated. Monies previously allocated to support discretionary travel schemes and non-Metro services may need to be reallocated to ensure that Metro services are able to operate.

Controls

- Monitoring of public transport patronage during the pandemic, undertake research through the insight panel to gain intelligence on trends and passenger behaviours.
- Undertake benchmarking and intelligence gathering from other Cities, through UITP, UTG and Comet/Nova.
- Discussions with Chief Executives and Treasurers in order to obtain strategic financial guidance.
- Deferring all but non-essential expenditure and vacancy control measures implemented
- Periodic financial monitoring by Nexus’ Senior Leadership Team and Executive Board.
- 2021/22 levy funding agreed with JTC
- Regular update meetings with TNE to understand the likelihood of a bus partnership being agreed

Next Steps/Milestones	Owner	Due date
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Pursue and agree multiyear emergency/recovery funding arrangement with HMT and DfT.	Director of Finance and Resources	June 21
Implement plans to drive patronage growth on bus and ferry following travelling restrictions being relaxed.	Various	Various
Nexus' input to the quarterly monitoring of the Revenue Budget and Capital Programme expenditure reports submitted to the JTC.	Director of Finance and Resources	Quarterly
Support Transport North East in the development of partnerships with bus operators	Customer Services Director	Jun 21

CP Theme: **Customer Experience**

CP Workstream: **Grow Patronage and improve our customer experience**

Risk Area: **Delivery of the contracts to provide a new depot and a new fleet of trains for the Metro**

Risk Owners: **Major Projects Director**

**RAG Status
(Amber)**

9 (3x3)

**Target RAG
Status**

6(2x3)

**Direction of
Travel**

↔
(stable)

Risk: The possibility of costs escalating, the potential for delays and reputational impact as a result of Nexus owned risks impacting on the affordability and deliverability of the project to introduce a new fleet of trains and depot.

Impact/Consequence(s): Delays to obtaining the new fleet could place reliance on extending operation of the old deteriorating fleet at Nexus' cost. Where costs couldn't be contained by Nexus risk contingency sum, funding would have to be diverted from other areas of need. Such affordability issues could result in Nexus having to reconsider the scope of the contracts, i.e. the number of trains and the scale and scope of the depot reconstruction. In addition any re-profiling of DfT grant would be subject to agreement with DfT at its sole discretion.

Controls:

- A project risk register is live for the project and is reviewed regularly to monitor and manage existing known risks as well as identifying new and emerging risks along with identifying mitigation measures.
- A project contingency sum is available to fund the impact of known and likely risks identified on the risk register.
- Project risks are discussed and reviewed with the suppliers of the contracts on at least a monthly basis and mitigation measures are agreed.
- Delivery of interdependent projects and enabling work is monitored by Capital Steering Group on a monthly basis and reported to Senior Leadership Team.
- Keeping key stakeholders informed regarding progress of the programme.
- Established project controls have been adopted to assist with the management of the contracts including CSM and other safety processes.
- Operational risks associated with the delivery of the new fleet are managed through the Operational Readiness Meeting.
- Quarterly meetings of the joint Nexus/DfT Programme Board to report on project performance, risks and any requirements to reprofile funding.
- Quarterly meetings of the joint Nexus/Stadler Programme Board to report

on project performance, risks and any commercial matters.

- Periodic progress reporting to Nexus' Senior Leadership Team and JTC.

Next Steps/Milestones	Owner	Due date
Commencement of manufacturing of the new fleet	Metro Development Director	Aug 21
New Maintenance Depot Completed	Metro Development Director	Sep 22
First Train Delivered	Metro Development Director	Nov 22
Full Fleet in Service	Metro Development Director	Dec 24

CP Theme: **Assets and Technology**

CP Workstream: **Improve our physical assets**

Risk Area: **Efficiency of delivery of the Capital Programme**

Risk Owner: **Major Projects Director**

**RAG Status
(Red)**

12 (4x3)

**Target RAG
Status**

3 (1x3)

**Direction of
Travel**

**↔
(stable)**

Risk: That the organisation does not have sufficient resource and or the correct skills set to successfully deliver the programme of capital works

Impact/Consequence(s): The funding agreement with DfT expires in March 2022 with £20m of capital funding available in 2021/22. This is approximately half of the Essential Renewals work-bank for 2021/22 and provides certainty for 12 months only. This is adversely impacting on continuity of the Metro Asset Renewals and making planning and procurement for future years delivery more difficult.

Projects committed through Essential Renewals, Transforming Cities or other funding streams are not delivered in the most efficient and effective way and Nexus fails to take advantage of other emerging funding streams to be able to improve its assets, customer services or operations.

Uncertainty around long term funding makes the recruitment and retention of key staff more difficult leading to a reliance on external contracts.

Controls:

- Continue to make the case for ongoing funding from DfT.
- Seek flexibility from the Department for Transport over virement / acceleration of funding to optimise programme delivery.
- Effective programme management, project prioritisation, delivery and budget control processes.
- Ensure Portfolio level management of project and programme interfaces, dependencies and business change.
- Value engineering, technology choice, option analysis, specification and scope.
- Active stakeholder engagement to obtain involvement and co-operation of third/interested parties e.g. Metro Services, Network Rail, highway authorities, utility companies etc.
- Continually monitor and manage the programme to ensures sufficient programme/project management resource - identify options to source additional resources or capacity to deliver increase levels of investment.
- Close and proficient management of all contracts relating to ARP and other

works in the capital programme.

- Periodic Affordability Review meetings to consider Metro Asset Renewal Programme profiling.
- Monitor procurement and changes in responses to tenders.
- Periodic project reviews, analysis and reporting – presentation to Nexus' Capital Steering Group, Senior Leadership Team, Executive Board, the JTC and the joint Nexus/DfT Programme Board.
- Continuous review of existing vacancies within teams.
- Continued engagement with DfT via Programme Board and HMT regarding future Metro funding arrangements.
- Review contractual terms and conditions in light of pandemic to ensure flexibility in contracting to minimise the impact – respond to changing market conditions to ensure successful procurement.
- Evaluate mitigation options for retention and recruitment of key skills and resources.
- A work resource plan for capital programme for 22/23 has been developed with regular reviews planned.

Next Steps/Milestones	Owner	Due date
Complete first iteration of capital project prioritisation process for 2022/23	Major Projects Director	Jun 21
Identify potential funding opportunities announced in 2021 Budget – now awaiting details of bidding process.	Major Projects Director	Ongoing
Continue to work with HMT and DfT to secure a long term asset funding agreement.	Director of Finance and Resources	Ongoing

CP Theme: **Assets and technology**

CP Workstream: **Technology**

Risk Area: **Cybersecurity**

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

**RAG Status
(Amber)**

8(2x4)

**Target RAG
Status**

8(2x4)

**Direction of
Travel**

↔
(stable)

Risk: A successful cyber-attack on Nexus ICT infrastructure.

Impact/Consequence(s): Nexus' ICT infrastructure is key to all the functions and activities we carry out. Failure to adequately secure and protect this from a cyber-attack could have a severe adverse impact on the delivery of services and potentially preventing critical actions and day-to-day work from being carried out.

Controls:

- Nexus utilise a modern supportable resilient firewall, with a subscription to identify and protect against existing and emerging threats.
- We subscribe to governmental cyber-threat awareness bulletins and are active members of local security working groups.
- We participated in a local multi-party cyber-resilience event with local authorities and the emergency services to test the systems in place.
- Should a system fail or be rendered unusable by a cyber-attack, we regularly back-up of all essential systems and data so service can be returned safely and efficiently.
- Nexus employs security specialists to implement governance and controls.
- A cyber-security training standard has been implemented to train all Nexus staff in the basic requirements.
- Nexus raises awareness of security threats through the use of internal communications such as Nexus Times & global emails.
- Nexus measure awareness through different mediums such as fake Phishing attacks.
- All changes to Nexus security assets are subject to tight control.
- We have a suite of policies on security controls and an acceptable use.
- A security incident response policy is in place.
- We utilise segregation to protect critical systems particularly rail based systems.
- We manage security risks within Business Change and Technology using a specific risk management process.
- Regular review of ongoing notifications from key suppliers regarding vulnerabilities in order to ensure timely notification and action.
- Awareness testing exercises will be carried out, with additional controls implemented as deemed appropriate to the level of threat being

experienced.

- Increased vigilance of Cyber security activity, particularly through IT security networks, during the pandemic.
- Monitoring of remote working and the subsequent risks this imports.

Next Steps/Milestones	Owner	Due date
Regular awareness testing exercises will be carried out, with additional controls implemented as deemed appropriate to the level of threat being experienced.	Head of BCT	Ongoing
Pursue Cyber Essentials Plus accreditation	Head of BCT	March 22

CP Theme: Customer Experience		
CP Workstream: Products and Payment		
Risk Area: Products and Payment Offer Risk Owner: Customer Services Director	RAG Status (Amber)	Direction of Travel
	9(3x3)	↔ (stable)
	Target RAG Status	
	3(1x3)	
Risk: Our products and payments offer fails to meet the changing needs of our customers and results in a loss of patronage to other modes of transport.		
Impact/Consequence(s): Technological developments and changes to the way in which people choose to travel may mean that the Nexus' product offer is perceived as inadequate, outdated and unable to deliver the intended benefits for customers and stakeholders impacting Nexus' patronage recovery.		
Controls: <ul style="list-style-type: none"> • Continuous review of retail trends and customer choice with market research carried out to establish product development proposals. • Annual review of prices, products and sales channels. • Provision made in the Fares and Revenue budget in order to support research into the development of new products. • Seeking opportunities to work with partners and explore the potential for attracting external funding. • Pay by phone solution in place at car parks. • Smart Integrated Ticketing programme established 		
Next Steps/Milestones	Owner	Due date
Seek funding for continued innovation in product and payments arrangements.	Customer Services Director	Ongoing
Develop and implement plans for cashless and paperless travel as outlined in the Products and Payments Strategy.	Head of Commercial	2025
Add current NTL product range onto smartcard and then develop plans to introduce a multimodal, price capped pay as you go product.	Head of Commercial	2022

Develop flexible products for frequent customers including corporate season ticket holders.

Head of Commercial

Mar 22

CP Theme: **Grow our patronage and improve our customer experience**

CP Workstream: **Invest in our infrastructure**

Risk Area: **Funding public transport network improvements**

RAG Status (Green)

Direction of Travel

Risk Owner: **Director of People and Culture**

6(2x3)

Target RAG Status

↔
(stable)

4 (2x2)

Risk: That opportunities to secure additional funding for public transport improvements through competitive funding bids are not successful

Impact/Consequence(s): Nexus will rely on external funding opportunities to implement enhancements to the public transport infrastructure that it is responsible for. Without this funding existing resources will, at best, only be able to maintain assets to their current condition and in some cases assets will deteriorate due to lack of funding. This will impact on customer perceptions as public transport will not meet expectations leading to reduced patronage and revenue and Nexus will not meet the aspirations set out in the Recovery Plan to attract passengers back to Metro and to replace journeys no longer being made with new markets.

Controls:

- Nexus schemes are included in the Regional Transport Plan pipeline.
- A pipeline of capital schemes aligned with the Nexus Corporate Plan will be developed for specified funding opportunities.
- A detailed pipeline of potential schemes is developed and maintained for new and currently unspecified funding opportunities
- Nexus resources, both people and financial, are allocated to develop Nexus capital programme pipeline.
- New schemes will be subject to the Nexus prioritisation process to quickly and effectively match business priorities to funding opportunities.
- Schemes will be developed and governed under the Nexus' Stage-gate control processes.
- Internal stakeholders are identified and regular stakeholder meetings are held.
- Regular liaison with the Transport Strategy Unit to provide project updates and ensure that schemes are developed in line with wider regional objectives.
- Regular liaison with other external stakeholders, including DfT to ensure alignment with other projects and local objectives.
- Match funding has been identified for live bidding opportunities.

Next Steps/Milestones	Owner	Due date
Develop full business cases for Transforming Cities Fund Scheme, in line with scheme development	Head of Corporate Planning	2022
Secure development funding and resources to develop the Nexus capital programme to stagegate 3 / outline business case	Head of Corporate Planning	Summer 2021
Develop strategic outline business cases for schemes for the Levelling Up Fund, IntraCity Transport Fund and Cycling and Walking fund	Head of Corporate Planning	2021-2022
Horizon scanning for new funding opportunities	Head of Corporate Planning	Ongoing

CP Theme: **Putting Safety and Security at the heart of everything we do**

CP Workstream: **Reduce Anti-social Behaviour**

Risk Area: **Antisocial behaviour**
 Risk Owner: **Chief Operating Officer**

**RAG Status
(Amber)**

**Direction of
Travel**

9(3x3)

**Target RAG
Status**

↔
(stable)

3 (1x3)

Risk: An increase in anti-social behaviour leads to loss of reputation and reduced patronage

Impact/Consequence(s): An increase in anti-social behaviour across the Metro network could result in the perception that Metro is unsafe to travel on leading to falling patronage and increased costs on repairing and replacing damaged equipment.

Controls:

- Enhanced CCTV installed around system
- Regular security exercises held across network to provide customer reassurance
- Body worn cameras issued to staff to improve enforcement action
- Regular liaison meeting with partner organisations to identify repeat offenders.
- Strong enforcement action against repeat offenders
- Metro Police Unit and British Transport Police presence around network
- Additional enforcement powers for those not wearing facemasks
- Regular roving patrols by Customer Service staff around network
- Targeted patrols in areas with higher levels of ASB
- Ticketing gatelines at key stations.
- Body worn cameras now available for all staff on shift.

Next Steps/Milestones

Owner

Due date

Identify actions arising from the independent security review

Various

Various

Develop strategy for implementation of additional gate lines across network

Head of
Corporate
Planning

June 21

Implement actions identified in recovery plan

Various

Various

CP Theme: **Grow our patronage and improve our customer experience**

CP Workstream: **Customer Services**

Risk Area: Patronage Recovery Risk Owner: Chief Operating Officer	RAG Status (Red)	Direction of Travel  (stable)
	12 (3x4)	
	Target RAG Status	
	4(2x2)	

Risk: Failure to recover public transport patronage following the covid-19 pandemic

Impact/Consequence(s): Failure to recover patronage lost during the COVID-19 pandemic sufficiently would make bus, Metro and Shields Ferry services unsustainable at their current levels. Any additional restrictions on movement being introduced later in the year could further reduce public confidence in the Public Transport network. Additional COVID-relief funding from DfT/HMT is contingent on effective delivery of a recovery plan while funding to deliver our long-term goals could also be put at risk. The lack of long-term funding support reduces the ability for Nexus to implement long term behavioural change projects designed to support a 'green' economic recovery.

Controls:

A comprehensive recovery plan has been developed outlining plans to rebuild patronage following the lifting of COVID-19 restrictions

- On-going programme of marketing and communications aimed at reassurance and encouraging passengers back to Metro.
- Ongoing, high visibility of staff around network including enhanced cleaning regimes and the enforcement of COVID travel rules.
- Regular reviews of progress with DFT/HMT.

Next Steps/Milestones	Owner	Due date
Agree recovery plan with DfT/HM Treasury to secure ongoing support for losses due to COVID-19 beyond 21 st June 2021	Director of Finance and Resources	June 21
Implement actions agreed in recovery plan	Various	Various
Implement actions identified in the Nexus Corporate Recovery Plan	Various	Various

Implement actions to reassure passengers around the safety of public transport to encourage customers to return	Various	Various
Design and deliver new products and services to reflect changing patterns of travel and make public transport attractive.	Head of Commercial	Ongoing
Target new customers and markets including new products services, capital investment (subject to funding) and communications and marketing activities	Various	Ongoing
Lobby government to develop a reassurance campaign promoting Public Transport as a safe mode of transport.	Chief Operating Officer	Ongoing
Work with Transport North East to deliver partnerships with bus operators.	Customer Services Director	June 21
Identify and bid for funding to deliver capital projects to assist with recovery	Head of Corporate Planning	Ongoing

CP Theme: **Grow Patronage and Improve our customer experience**

CP Workstream: **Invest in our infrastructure**

Risk Area: North Shields Ferry Landing Risk Owner: Major Projects Director	RAG Status (Red)	Direction of Travel
	12(4x3)	↔ (stable)
	Target RAG Status	
	9(3x3)	

Risk: Project currently un-funded due to withdrawal of previous secured LEP grant funding as conditions didn't align with project delivery timescales

Impact/Consequence(s): Delays to completing the required work to allow relocation of the North Shields ferry landing could lead to impact on ferry reliability due to the deteriorating condition of the existing ferry landing and failure to support the regeneration ambitions of the North Shields Fish Quay.

Controls:

- Establish an internal project team-level Steering Group/working group
- Regular updates to the Major Projects Directorate Steering Group
- Periodic progress reporting to Nexus' Senior Leadership Team and JTC
- Continued advance planning and collation of information in identified risk areas to mitigate future deliver risks.
- Apply effective and proven project management controls, risk management planning and governance processes with appropriately skilled resources employed in these areas.
- Active stakeholder engagement to obtain involvement and co-operation of third/interested parties
- Regular assessment of programme delivery against grant funding conditions and meeting with funding bodies to provide up to date progress.
- Horizon scanning and bidding for funding to continue to develop the project.
- Progression of development project tasks to ensure the project is "shovel ready" in the event of funding being secured. For example, form A design, navigational assessments, operational assessments, preparation of planning application, and ground investigations works.
- Natural break-point should no further funding be secured established (December 2021, milestone for release of ITT for Design & Build Contract for main works)

Next Steps/Milestones	Owner	Due date
Funding strategy workshop facilitated by North Tyneside Council	Head of Renewals	Summer 21
Release of ITT for Design & Build Contract for main works	Head of Renewals	Dec 21
Contract Award	Head of Renewals	April 22
Work Starts	Head of Renewals	Summer 22
Work completed	Head of Renewals	Feb 23

CP Theme: **Grow Patronage and Improve our customer experience**

CP Workstream: **Invest in our infrastructure**

Risk Area: Metro Flow Risk Owner: Major Projects Director	RAG Status (Amber)	Direction of Travel
	9(3x3)	↔ (stable)
	Target RAG Status	
	9(3x3)	

Risk: The benefits of Metro Flow are not delivered, are compromised, limited or delayed.

Impact/Consequence(s): Delivery of Metro Flow could be compromised by escalating costs, a delayed delivery programme or infrastructure limitations, and the predicted benefits may not be fully realised. This could have implications for the customer experience and service, both in delivery and operation, Nexus financial position and may damage Nexus' reputation as a delivery agent, subject to the selected mitigation strategy

Controls:

- A project risk register is live for the project and is reviewed regularly to monitor and manage existing known risks as well as identifying new and emerging risks along with identifying mitigation measures.
- Continued advance planning and collation of information in identified risk areas will mitigate future deliver risks.
- Apply effective and proven project management controls including CSM, risk management planning and governance processes with appropriately skilled resources employed in these areas.
- Continually monitor the overall Nexus Capital Programme to ensure interfaces and dependencies with other activities, particularly the Metro Fleet Replacement and Metro Asset Renewals, are understood, prioritised and managed.
- Active stakeholder engagement to obtain involvement and co-operation of third/interested parties.
- Monthly meeting of internal Metro Flow Steering Group to guide project delivery
- Quarterly meetings of the joint Nexus/DfT Programme Board to report on project performance, risks and any requirements to reprofile funding.

Next Steps/Milestones	Owner	Due date
Industry Consultations (Network Change etc.)	Head of Metro Flow	Dec 21
Final Business Case Approval	Head of Metro Flow	Aug 21
Infrastructure <ul style="list-style-type: none"> ○ Form B Submission ○ Blockade Commencing ○ Delivery 	Head of Metro Flow	March 22 Sep 22 March 23
Uplifted service commences December 2024 to align with the fleet programme	Head of Metro Flow	December 24

Appendix 2

Table based on the current risk scores in Nexus' Corporate Risk Register

Risk area	Uncontrolled and Controlled Risk Scores								
	Uncontrolled			Controlled			Target		
	L'hood	Impact	Score	L'hood	Impact	Score	L'hood	Impact	Score
Catastrophic security event	4	4	16	2	4	8	2	4	8
Catastrophic safety event	4	4	16	2	4	8	2	4	8
Metro Performance	4	4	16	2	4	8	2	4	8
Long Term funding for Metro	4	4	16	3	4	12	1	3	3
Frontline services and discretionary travel Schemes – Metro Services	4	4	16	4	3	12	1	3	3
Frontline services and discretionary travel Schemes – Non Metro Services	4	4	16	3	2	6	1	3	3
Procurement of the new design, build, maintain and provide contract for the fleet/depot	4	3	12	3	6	9	2	3	6
Efficiency of Delivery (ARP)	4	3	12	4	3	12	1	3	3

Cybersecurity	4	4	16		2	4	8	2	4	8
Products and Payment Offer	4	3	12		3	3	9	1	3	3
Public transport Network improvements	4	3	12		2	3	6	2	2	4
Anti-Social Behaviour	4	3	12		3	3	9	1	3	3
Patronage Recovery	4	4	16		3	4	12	2	2	4
Ferry Landing Relocation	4	4	16		4	3	12	3	3	9
Delivery of Metro Flow	3	4	12		3	3	9	3	3	9

Appendix 3: Risk Score Matrix

Assess the impact if the risk occurred:

Impact:

Likelihood		Insignificant	Minor	Significant	Critical
	High	4	8	12	16
	Medium	3	6	9	12
	Low	2	4	6	8
	Negligible	1	2	3	4

Assess the likelihood of the risk occurring:

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

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

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