



## **Joint Transport Committee Overview and Scrutiny Committee**

Thursday, 26th October, 2023 at 10.00 am

Meeting to be held in Committee Room 1 at Sunderland City Hall (SR1 3AA)

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## **AGENDA**

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	<b>Page No</b>
1. <b>Apologies for absence</b>	
2. <b>Declarations of Interest</b>	
3. <b>Minutes of the previous meeting held on 27.07.2023</b>	<b>3 - 10</b>
4. <b>Transport Budget 2024/25</b>	<b>11 - 26</b>
5. <b>Nexus Corporate Performance</b>	<b>27 - 36</b>
6. <b>Forward Plan and Work Programme Update</b>	<b>37 - 42</b>

Contact Officer: Melvyn Mallam-Churchill  
E-mail: [melvynmallam-churchill@gateshead.gov.uk](mailto:melvynmallam-churchill@gateshead.gov.uk)

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North East Combined Authority

DURHAM • GATESHEAD • SOUTH TYNESIDE • SUNDERLAND



**JOINT TRANSPORT COMMITTEE, OVERVIEW AND SCRUTINY COMMITTEE**

**DRAFT NOTES OF THE MEETING**

DATE 27 July 2023

Meeting held in the Whickham Room, Gateshead Civic Centre

**Present:**

- D Taylor-Gooby - Chair
- A Clark - Vice Chair
- Councillor L Bowman - Northumberland County Council
- Councillor T Champion - Newcastle City Council
- Councillor A Chisholm - Newcastle City Council
- Councillor T Dodds - Sunderland City Council
- Councillor J Eagle - Gateshead Council
- Councillor J Harrison - North Tyneside Council
- Councillor A Lamonte - South Tyneside Council
- Councillor J Miller - Durham County Council
- Councillor A Wintcher - Gateshead Council

**In Attendance**

- Councillor L Ellis - Newcastle City Council

**Officers:**

- G Armstrong - NECA
- R Currie - Gateshead Council
- M Dodds - Transport North East
- R Forsyth-Ward - Transport North East
- E Goodman - NECA
- A Graham - Transport North East
- S Gwilym - Durham County Council
- T Hughes - Transport North East
- H Jones - Transport North East
- E Reynard - Gateshead Council

**1. APOLOGIES FOR ABSENCE**

- Councillor C Lines - Durham County Council
- Councillor D Herbert - South Tyneside Council
- Councillor J Shaw - North Tyneside Council

Councillor R O’Keefe - North Tyneside Council  
Councillor K Mason-Gage - Sunderland City Council

## **2. DECLARATIONS OF INTEREST**

Councillor Eagle made an expression of interest as an employee of Nexus but advised that he has been given dispensation to be a member of this Committee.

## **3. MINUTES OF THE PREVIOUS MEETING HELD ON 16 MARCH 2023**

RESOLVED:

- (i) The meeting was not quorate therefore the minutes of the previous meeting could not be approved as a correct record.

## **4. BUS PARTNERSHIP UPDATE**

The Committee considered a report which provided an update on the activities of the Enhanced Partnership including current bus funding, partnership activities and an update on the introduction of the £1 fare for people aged 21 and under.

The Committee was advised that Bus Recovery Grant funding ended on 30 June 2023 and the North East will not receive any additional ‘BSIP+’ funding, which is primarily allocated to areas that did not receive BSIP funding. Additional funding has been made available to operators in the form of a reformed Bus Service Operators Grant (BSOG), known as BSOG+, final allocations have not been announced but it is assumed this will be substantially less than BRG funding. TNE and local authority colleagues will continue to liaise with operators as they recalibrate their position without BRG.

It is therefore likely that a proportion of BSIP investments in services, which was previously wholly allocated towards enhancements to the network, will have to be used to mitigate the potential reduction in commercial services. Throughout the BSIP funding period however, it is intended that interventions such as reduced fares and bus priority infrastructure will boost bus patronage, stabilising the network. This will allow more services to be commercially viable without subsidy which will allow investments in new services and enhancements.

The Committee was also provided with an update on BSIP Schemes which have been introduced since the funding was confirmed in March. A £1 single regionwide fare for people aged 21 and under was introduced on 7 May and has been favourably received with more than one million tickets sold in the first month.

Other BSIP investments include:

- The allocation of up to £650,000 for the bulk purchase of annual region-wide travel passes from Network One Ltd for those aged 18-25 who have left Local Authority care, we expect these travel passes to start being delivered to eligible young people over the summer months.

- The allocation of £430,000 to Nexus for the development of the region's journey planning and public transport information website.
- The allocation of £12.2m to secure and where possible improve bus services across the region for the financial year 2023/24.
- To introduce new adult multi-operator day tickets covering unlimited travel in Northumberland and County Durham.
- To reduce the price of existing adult multi-modal products covering travel in Tyne and Wear and region-wide travel;
- To introduce a £3 day ticket for young people for region-wide travel, in addition to the "Under 22" fares already approved by the Joint Transport Committee.
- The release of £20,250,872 of BSIP capital funding for the "Bus Priority Infrastructure – Tranche 1" programme and £13,040,000 of BSIP capital funding for the "Intelligent Transport Systems" programme. Both of these approvals are agreed in principle and will be subject to the successful appraisal of Business Cases and due diligence in line with the North East Transport Assurance Framework.

Cllr Champion noted that Government had previously advised that BSIP funding could not be used to maintain services and asked for a list of projects which would now not be delivered.

Officers advised that service enhancements would be reduced but that officers in Northumberland County Council, Durham County Council and Nexus were still working through the detail of how services would be affected. Information would be provided in due course.

Councillor Champion requested details of the projects in the Bus Priority Infrastructure Tranche 1 programme. He was advised that all of the projects were part of the Transport Plan pipeline, but the finer details had yet to be worked up by the scheme promoters.

Councillor Champion asked whether any improvements were planned for planning journeys and whether this would be via an app or through an existing provider. Officers advised that a tender would be issued for this work which was likely to be via a website and an app.

Councillor Champion also asked whether there would be Transport North East branding on buses and was advised by officers that this had never been proposed.

Councillor Wintcher asked whether there were plans to introduce a similar fixed adult fare and was advised that a capped single fare of £2 had already been introduced by the Department for Transport which would run until October 2023 and then be increased to £2.50 per single fare from November.

Councillor Harrison asked which areas did not receive any BSIP funding and was advised that there was a list on the DfT website. He also asked for further details regarding BSOG funding but was advised that this is a confidentially commercial agreement between DfT and bus operators.

Councillor Harrison asked how the effectiveness of the introduction of the £1 fare would be demonstrated. Officers advised that monitoring of ticket sales would be carried out and although it was difficult to quantify the effectiveness of the product at this stage, positive feedback had already been received and it was hoped that ticket sales would continue to grow.

Councillor Bowman felt that in some areas, especially in Northumberland, bus service coverage was not very good but noted that this was due to decisions taken by the bus operators.

Councillor Eagle agreed and added that this was due to the bus operators focussing on the more profitable routes for services. He added that the £1 fare was a good option for young people who are on low wages.

Councillor Bowman felt that the introduction of bus lanes had added congestion on roads for people who are using their cars. He believed that there needed to be better routes into and out of busy towns and cities. He added that the Northumberland Line should help with this issue but that there needed to be an integrated ticket to use the bus and train. Officers advised that discussions were ongoing regarding this issue but that there would be an integrated rail and Metro fare.

Councillor Wintcher asked whether there was an ambition to extend the POP card to rail. Officers advised that the POP card would be used on the Northumberland Line and that it can also be used on buses. There is an intention to expand it to other rail services in the future however, there needs to be discussions with Government and the rail operators to progress this issue, which is referred to in the Devolution deal. It is hoped that this can be achieved in the next 12-18 months.

#### RESOLVED:

- (i) The JTC Overview and Scrutiny Committee noted the report.

### **5. NORTH EAST ZERO EMISSION VEHICLE (ZEV) STRATEGY UPDATE**

The Committee received a presentation on the development of the North East Zero Emission Vehicle Strategy.

The Strategy will help the region to tackle the climate emergency, air quality and transport related social exclusion. The Strategy will also reflect national Government's policy to end the sale of new petrol and diesel cars and vans from 2030, with hybrid vehicles following in 2035, by supporting the transition to ZEVs.

The Strategy will have an initial five-year delivery plan and will cover the period up to 2030, to reflect the UK Government's 2030 step 1 commitment to phase-out the sale of new petrol and diesel cars and vans. The Strategy will be refreshed when appropriate.

The Strategy will seek to build on the existing North East ZEV Policy (2022) which estimated that as many as 28,000 publicly available EV charge points could be required to meet demand from drivers across the region in the next 15 years. Work is underway to develop a mission statement for the Strategy, taking into consideration the latest advancements and research within the industry, whilst also tackling the challenges that car/van drivers are facing when considering a ZEV. A set of key performance indicators will also be set to track development in the region.

Research with local residents and businesses has been used to gain an understanding of the challenges that people are facing when considering the switch to a ZEV. The Strategy will put forward a pipeline of schemes that will address the challenges and help to achieve the Strategy aim to deliver reliable public ZEV charging infrastructure across the North East, wherever people need it.

Successful delivery of the ZEV Strategy will address a number of challenges in the North East, particularly carbon emissions, air pollution, transport poverty and transport related social exclusion by ensuring a balanced charging network in delivered across the region. The Strategy will also contribute to the delivery of all five of our Transport Plan objectives through ensuring there is excellent public charging infrastructure to support the transition away from petrol/diesel cars and vans.

It is proposed that the draft Strategy will go out to public consultation in Autumn 2023. The Strategy will be updated following the consultation and the Joint Transport Committee will be asked to endorse the Strategy in December 2023.

Councillor Champion was concerned that the North East was lagging behind other large local authorities in relation to this issue and asked whether there was the capacity to deliver the introduction of 28,000 EV points – which he estimated equated to £154m. He said he believed that NECA has allocated £40m for this project but felt that the private sector would not be able to fill the funding gap. He also believed that there were not enough skilled workers to deliver the project and suggested that the Joint Transport Committee worked with higher education providers to develop apprenticeships in this area.

Officers advised that a funding application had already been made for a regional allocation which would be used for apprenticeships and that it was hoped the outcome of the application would be received soon. The figure of 28,000 new EV charging points was a forecast of how many could be needed, but that the ultimate figures depended on both the uptake and use of electric vehicles by the public, and future developments in battery capacity. It was agreed that further work needs to be carried out with the private sector regarding this issue so that better investments can be achieved and noted that a Partnership Group is being set up.

Councillor Harrison asked how the figure of 28,000 EV charging points had been achieved? He was also concerned that planning guidance needed to be changed to ensure that charging points were installed in new homes.

Officers advised that it was based on traffic projections to 2035. But, as previously stated, this figure could change depending on improvements in faster charging. Any changes to planning guidance was the responsibility of local authorities, however officers will work alongside local authorities regarding EV charging point locations.

Councillor Chisholm asked how private hire and taxis would fit in with this policy, as these vehicles are an important part of the transport system. Officers advised that funding has already been provided to support that industry and that there were 11 EV sites for taxis in the region. The Strategy does support the industry moving to more sustainable vehicles.

Councillor Bowman asked whether the timescale could be brought forward and whether affordability of electric vehicles was being looked into?

Officers advised that several schemes had already been delivered and that officers were not waiting for the Strategy to be agreed to make further progress. The affordability of vehicles is out of the remit for TNE however it will continue to push for better tariffs at EV charging points and it is hoped that once there is more information in the public domain regarding the choices that can be made, that the second hand market will start to benefit.

Councillor Lamonte asked whether there were any charging points that could provide free charging for residents on mobility schemes?

Officers advised that they were not aware of any schemes but that the team were ensuring that all EV charging points were fully accessible.

Councillor Eagle asked whether there was a map of where sub-stations were required for EV charging points? He added that planning requirements needed to be streamlined so that projects could be successful.

Officers advised that a live map of existing points and gaps in service was being developed and that TNE would work with the local authorities on each new project, which would subsequently be mapped.

**RESOLVED:**

- (i) The Committee noted the report.

## **6. FORWARD PLAN AND WORK PROGRAMME UPDATE**

The Committee considered a report which provided an update on the Forward Plan and the 2023/2024 work programme.

It was noted that work was ongoing in relation the refresh of the Transport Plan and this work will be ongoing when the new Mayoral Combined Authority is created.



Councillor Campion noted that a performance update for Nexus had previously been requested which was not listed on the Forward Plan.

Councillor Harrison requested an update on the transition of the transport function to the new Mayoral Combined Authority and it was agreed that report would be presented to the Committee at a future meeting.

**RESOLVED:**

- (i) The Committee noted the Work Programme.

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## North East Joint Transport Committee Overview and Scrutiny Committee

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**Date:** 26 October 2023  
**Subject:** Transport Budget 2024/25  
**Report of:** Chief Finance Officer

### Executive Summary

On 18 September, the North East Joint Transport Committee (JTC) received a report setting out the process and timetable for the approval of the Transport levies and other budgets relating to the JTC and setting out the context and initial strategy for the development of proposals for these budgets in 2024/25 and into future years.

The budget proposals will be further developed and consulted upon in the coming months, and decisions on the levies and other aspects of the transport budget will be taken by the JTC on 16 January 2024. 2024/25 will be the first year of the proposed North East Mayoral Combined Authority (MCA) covering the whole of the North East, and the budgets agreed by the JTC will be adopted by the MCA on its creation. Draft detailed proposals will be presented to the JTC at its meeting on 21 November and subject to consultation with this committee on 14 December.

Proposals for the Durham and Northumberland levies will be driven by the Transport budgets for those authorities which are being prepared in tandem. The Tyne and Wear levy is largely determined by the grant required by Nexus to maintain current operations, with £2.1m currently retained to fund costs relating to the former Tyne and Wear Integrated Transport Authority and contributions to the work of Transport North East (TNE). The budget planning assumption is that this retained levy amount is kept at the same level for 2024/25 and that this amount is held constant over the medium term financial strategy (MTFS) planning period.

The current recommendation is for the topslice of the Local Transport Plan (LTP) Integrated Transport Block grant funding towards the TNE team to be maintained at the current level of £0.500m (equal shares equating to £0.063m per authority). It is testament to the considerable success of the TNE team in successfully attracting external funding that this

has been maintained at the same level since the creation of the team, despite a considerable increase in activity and responsibility over recent years.

Based on initial estimates, it is anticipated that it will be necessary to seek an increase in the Tyne and Wear levy in both 2024/25 and 2025/26, as reported during the 2023/24 budget setting process, in line with the MTFs previously noted. Initial forecasts suggest an increase to the levy of 3.7% (£2.5m) will be required in 2024/25 and a further 3% (£2.1m) increase in the levy applied in 2025/26. A further increase of 3% (£2.17m) is also now anticipated for 2026/27. These increases are necessary to ensure the unavoidable base budget pressures can be funded and is in addition to savings and efficiencies being achieved and Nexus using significant reserves to balance its budget over the next three years: £4.8m in 2024/25, £5.5m in 2025/26 and £3.8m in 2026/27. Should the proposed increases not be supported then there will be a need to impact front line service delivery.

In order to set a break-even budget on the Tyne Tunnels, an increase will be required to the tolls for Class 2 and Class 3 vehicles in 2024/25, which will become applicable from May 2024. Under the constitution of the JTC, this is a decision for the Tyne and Wear Sub-Committee (TWSC) and a decision will be made by that committee in January 2024. Members will be aware that increases in the shadow toll, which is used to determine the contract payments to the concessionaire (TT2), are calculated with reference to the Retail Prices Index (RPI) measure of inflation. Unless the actual tolls keep pace with this increase, the Tyne Tunnels account will not be balanced and income generated will fall short of the expenditure incurred in servicing the debt charges and meeting the contractual obligations to TT2.

### **Guiding Principles for Scrutiny Members**

The below are the key guiding principles to support the Overview and Scrutiny Committee Members in reading the report in advance of the meeting to:

- Consider any added value that Scrutiny can bring; and
- Promote effective discussion and consider the information in the report.

1. The impact the matter has on individuals in the community and across the JTC area.
2. Focus on the efficiency and effectiveness of the proposals, next steps and any potential changes.
3. Consideration of any risks that may occur.
4. Scrutiny focusing on any performance management or quality assurance.

### **Recommendations**

The Joint Transport Committee Overview and Scrutiny Committee is recommended to receive the report for information. Any observations or recommendations the committee may wish to raise can be considered by the JTC at its meeting on 21 November.

## **1. Background Information**

- 1.1 At its meeting on 18 September 2023, the North East Joint Transport Committee (JTC) received a report setting out the context and initial strategy for the development of proposals for the Transport budgets and levies in 2024/25 and future years. The budget proposals will be further developed and consulted upon in the coming months, and decisions on the levies and other aspects of the Transport budget will be taken by the JTC on 18 January 2024.
- 1.2 The JTC Overview and Scrutiny Committee is invited to receive this report for consideration and, should it wish to make and observations or recommendations to the JTC, these will be taken into account in developing the detailed proposals for the Transport budget 2024/25.

## **2. Key points**

- 2.1 The report which was presented to the JTC on 18 September is attached as Appendix 1 to this report.
- 2.2 The report sets out the context to the development of budget proposals, including inflationary pressures and considerable pressure and uncertainty in the economy and on local authority finances at this time.

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

- 3.1 The information in this report is provided to the Committee for information as part of the consultation process on the budget, as set out in the NECA Constitution (in its role as Accountable Body for the JTC). Should the Committee wish to make any comments or recommendations to the JTC these will be taken into account in developing the Transport Budget 2024/25, which will be presented to the JTC on 21 November, and which will be subject to further consideration by this Committee on 14 December.

## **4. Alternative Options Available**

- 4.1 This report is presented for information and comment.

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

- 5.1 The JTC will receive a report to its meeting on 21 November setting out detailed draft budget proposals for 2024/25 and any feedback from this meeting of the JTC Overview and Scrutiny Committee can be taken into account.
- 5.2 There will be a further meeting of the JTC Overview and Scrutiny Committee on 14 December to consider the Transport budget proposals for 2024/25 as part of the consultation process.
- 5.3 Final proposals will be presented to the JTC for agreement on 18 January 2024.

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

6.1 The Transport budget proposals and MTFS will seek to achieve the Transport policy objectives of the JTC.

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

7.1 Financial and other resources implications are set out in the report attached at Appendix 1.

## **8. Legal Implications**

8.1 There are no legal implications arising directly from the recommendations in this report. The Transport budget and levies must be agreed unanimously by the JTC once finalised.

## **9. Key Risks**

9.1 Appropriate risk management arrangements are put in place in each budget area by the delivery agencies responsible. Reserves are maintained to help manage financial risk to the authority.

## **10. Equality and Diversity**

10.1 There are no equality and diversity implications arising from this report.

## **11. Crime and Disorder**

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

## **12. Consultation/Engagement**

12.1 This report forms part of the consultation on 2024/25 budget proposals, as set out in the NECA Constitution (in its role as Accountable Body for the JTC).

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

13.1 There are no other impacts arising from this report.

## **14. Appendices**

14.1 Appendix 1 – JTC report 18 September 2023 – Transport Budget 2024/25

## **15. Background Papers**

15.1 None.

## **16. Contact Officers**

16.1 Eleanor Goodman, NECA Finance Manager,  
[Eleanor.goodman@northeastca.gov.uk](mailto:Eleanor.goodman@northeastca.gov.uk)

**17. Sign off**

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

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## North East Joint Transport Committee

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**Date:** 19 September 2023  
**Subject:** Transport Budget 2024/25  
**Report of:** Chief Finance Officer

### Executive Summary

This report summarises the proposed process and timetable for the approval of the levies and other budgets relating to the Joint Transport Committee (JTC) for 2024/25. The report sets out the context and initial strategy for the development of the budget proposals for 2024/25 and into future years.

The budget proposals will be further developed and consulted upon in the coming months, and decisions on the levies and other aspects of the transport budget will be taken by the JTC on 16 January 2024. 2024/25 will be the first year of the proposed North East Mayoral Combined Authority (MCA) covering the whole of the North East, and the budgets agreed by the JTC will be adopted by the MCA on its creation.

Proposals for the Durham and Northumberland levies will be driven by the Transport budgets for those authorities which are being prepared in tandem. The Tyne and Wear levy is largely determined by the grant required by Nexus to maintain current operations, with £2.1m currently retained to fund costs relating to the former Tyne and Wear Integrated Transport Authority and contributions to the work of Transport North East (TNE). It is recommended that this retained levy amount is kept at the same level for 2024/25 and that this amount is held constant over the MTFs planning period.

The current recommendation is for the topslice of the Local Transport Plan (LTP) Integrated Transport Block grant funding towards the TNE team to be maintained at the current level of £0.500m (equal shares equating to £0.063m per authority). It is testament to the considerable success of the TNE team in successfully attracting external funding that this has been maintained at the same level since the creation of the team, despite a considerable increase in activity and responsibility over recent years.

Based on initial estimates, it is anticipated that it will be necessary to seek an increase in the Tyne and Wear levy in both 2024/25 and 2025/26, as reported during the 2023/24 budget setting process, in line with the medium term financial strategy (MTFS) previously noted. Initial forecasts suggest an increase to the levy of 3.7% (£2.5m) will

be required in 2024/25 and a further 3% (£2.1m) increase in the levy applied in 2025/26. A further increase of 3% (£2.17m) is also now anticipated for 2026/27. These increases are necessary to ensure the unavoidable base budget pressures can be funded and is in addition to savings and efficiencies being achieved and Nexus using significant reserves to balance its budget over the next three years: £4.8m in 2024/25, £5.5m in 2025/26 and £3.8m in 2026/27. Should the proposed increases not be supported then there will be a need to impact front line service delivery.

In order to set a break-even budget on the Tyne Tunnels, an increase will be required to the tolls for Class 2 and Class 3 vehicles in 2024/25, which will become applicable from May 2024. Under the constitution of the JTC, this is a decision for the Tyne and Wear Sub-Committee (TWSC) and a decision will be made by that committee in January 2024.

Members will be aware that increases in the shadow toll, which is used to determine the contract payments to the concessionaire (TT2), are calculated with reference to the Retail Prices Index (RPI) measure of inflation.

Unless the actual tolls keep pace with this increase, the Tyne Tunnels account will not be balanced and income generated will fall short of the expenditure incurred in servicing the debt charges and meeting the contractual obligations to TT2.

This report underpins the development of the detailed Transport Budget proposals for 2024/25 and the refreshed MTFs which will be brought to the JTC for consideration in November.

## **Recommendations**

The North East Joint Transport Committee is recommended to receive this report for consideration and comment, which will inform the development of the Transport budget proposals 2024/25 report from the NECA Chief Finance Officer to the November meeting of this committee.

## **1. Background Information**

- 1.1 The JTC receives funding from a variety of sources including the levies on Durham, Northumberland and Tyne and Wear councils, Tyne Tunnels tolls income, grant funding and interest income. This funding is used to deliver the objectives of the JTC through the delivery of public transport services via Durham and Northumberland councils and Nexus, and the work of TNE who work on behalf of the JTC to provide it with relevant information and policy choices and deliver its policies at a regional level.
- 1.2 In line with the Transport Levying Bodies Regulations, the transport levies must be issued by 15 February preceding the commencement of the financial year in respect of which they are to be issued.
- 1.3 This report summarises the process and timetable for the approval of the levies and other budgets relating to the JTC and sets out the initial strategy for these budgets in 2024/25 and future years. The proposals will be developed and consulted upon in the coming months, and decisions on the levies and other aspects of the transport budget will be taken by the JTC on 16 January 2024. Decisions on the Tyne Tunnels tolls will be taken by the TWSC on 18 January 2024.

## **2. Proposals**

### **Budget Context**

- 2.1 The 2024/25 budget preparations are taking place in the context of continued pressure and uncertainty in the economy and particularly on local authority finances.
- 2.2 The Bank of England (BoE) in its quarterly Monetary Policy Report published on 3 August 2023 set out that inflation in the UK had begun to fall but is still too high. In June, CPI was 7.9%, well above the Bank's 2% target. Bank Base Interest rates have been raised to 5.25% with further increases anticipated over the Autumn, with inflation now forecast to fall to around 5% by the end of this year and reaching the BoE 2% target by early 2025.
- 2.3 Inflation is creating significant budget challenges for all local authorities and the JTC's delivery partners, who have been faced with significant increases in energy bills, increasing wage bills and supply chain costs and increased demand for services.
- 2.4 Public transport usage in the region has not yet fully returned to pre-pandemic levels, with bus passenger numbers having plateaued since September 2022, at between 77% and 84% of pre-Covid levels. This has had a significant impact on bus operators' finances and routes across the North East have seen commercial cutbacks over the last two years, which has placed considerable demand on the budget for provision of secured services.

## **Timetable and consultation**

- 2.5 Appendix 1 sets out the timetable of when proposals will need to be considered to enable the Transport budget and levy decisions to be taken by the JTC on 16 January 2024. The timetable meets the need for consultation on the 2024/25 budget proposals, as set out in NECA's constitution (in its role as Accountable Body for the JTC).
- 2.6 The NECA constitution sets out the process which must be followed to ensure that appropriate and effective consultation takes place with all members and key stakeholders on the content of the budget.
- 2.7 The initial high-level draft budget principles for 2024/25 contained in this report will be developed further and subject to consultation with the JTC Overview and Scrutiny Committee on 26 October with updated detailed proposals being brought back to the JTC on 21 November. Detailed proposals will be referred back to the JTC Overview and Scrutiny Committee on 14 December.
- 2.8 Taking into account the outcome of this consultation, final proposals in relation to the transport budget and levies will be considered at the JTC meeting on 16 January 2024.
- 2.9 The levies and transport budget decisions for 2024/25 will need to be agreed by the JTC even though it will cease to exist once the new North East Mayoral Combined Authority (NEMCA) is established. Following the January meeting of the JTC, the NTCA Cabinet and NECA Leadership Board will agree to issue the levies and the Transport Budgets will form part of the NEMCA budget framework once it is established.

## **Transport North East**

- 2.10 Since its creation in 2018 to support the JTC, the TNE team has been working at full capacity to develop and lead delivery of a broad and ambitious transport programme on behalf of the region. This includes work on the Bus Service Improvement Plan/Enhanced Partnership which came into effect this year; Policy and Strategy work such as the Zero Emission Vehicles Strategy and Active Travel Strategy; management of externally funded programmes such as Transforming Cities Fund (TCF) and Active Travel Fund (ATF); management of the Tyne Tunnels contract and work on Rail Partnerships and local rail across the region.
- 2.11 TNE is funded from a variety of temporary and permanent funding sources, including a topslice of the Local Transport Plan Integrated Transport Block grant, contributions from the transport levies, interest income earned on cash balances and external grant funding including City Region Sustainable Transport Settlement revenue capacity grant (CRSTS), TCF grant, ATF grant and Local Electric Vehicle Infrastructure (LEVI) funding.
- 2.12 At the last meeting of the JTC, a budget of £3.130m was agreed for work in 2023/24 and 2024/25 to fund the transport workstreams required for the

move to the proposed MCA. This has seen a considerable increase in workload for the team with work on Bus Reform, a refresh of the Transport Plan, the development of the CRSTS programme as well as other elements already under way.

- 2.13 Detailed budget proposals for TNE will be presented to the JTC in the November budget report, taking into account the latest information about the availability of grant funding. However, as a planning principle it is proposed that for 2024/25 the contributions from the JTC's constituent local authorities are maintained at the current level, i.e. a £0.5m topslice from the LTP Integrated Transport Block (on an equal shares basis of £0.063m per local authority and Nexus).

### **Transport Levies for Durham and Northumberland**

- 2.14 Durham County Council and Northumberland County Council currently deliver a range of transport services through a delegation from the Joint Transport Committee, with those activities funded by separate transport levies. Budget proposals for Durham County Council and Northumberland County Council are being worked up by those authorities, and these will drive the calculation of the levies and the Transport Grants for these areas for 2024/25. Draft proposals will be included in the report to the November meeting of the committee.
- 2.15 The contributions from Durham, Northumberland and the five Tyne and Wear authorities towards the accountable body costs of transport activity will be maintained at £10,000 for each constituent authority. The top slice from the Tyne and Wear levy will be retained at £2.1m, which includes historic costs including financing charges inherited from the former Tyne and Wear Integrated Transport Authority (TWITA).

### **Population Updates – Tyne and Wear Levy Distribution**

- 2.16 In accordance with the Transport Levying Bodies Regulation, the Tyne and Wear Levy for 2024/25 must be issued by 15 February 2024.
- 2.17 The measure of population which must be used to apportion the Tyne and Wear Transport levy between the constituent authorities is the total resident population at the relevant date of the area of each Authority concerned (the relevant date being 30 June in the financial year which commenced prior to the levying year).
- 2.18 The Office for National Statistics (ONS) Mid-Year Population estimates for 2022 are scheduled for release in September 2023 (they were not available at the time of compiling this report) at which point the impact of the population distribution on the allocation of levy costs between the Tyne and Wear councils can be shared.

### **Nexus**

- 2.19 The majority of the Tyne and Wear levy (£65.7m in 2023/24 – 97%) is required to fund the revenue grant to Nexus for the delivery of transport services in the Tyne and Wear area. The MTFS for Nexus has been refreshed, and based on initial estimates, it is anticipated that it will be necessary to seek an increase in the Tyne and Wear levy in both 2024/25 and 2025/26, as reported during the 2023/24 budget setting process, in line with the medium term financial strategy (MTFS) previously reported. Initial forecasts suggest an increase to the levy of 3.7% (£2.5m) in 2024/25 and 3% (£2.1m) in 2025/26 would be required to assist Nexus in balancing its budget and meet the unavoidable base budget pressures it will face. An increase of 3% (£2.17m) is also now anticipated to be requested for 2026/27. These increases are in addition to savings and efficiencies being achieved and Nexus using significant reserves to balance its budget over the MTFS planning period: £4.8m in 2024/25, £5.5m in 2025/26 and £3.8m in 2026/27.
- 2.20 The MTFS underpins preparations for and making the most of the new fleet of Metrocars, which will begin to come into service at the end of this year, builds on investment in safety and security and operations, which is helping to improve performance, and provides stability for the transition from the JTC to the MCA.
- 2.21 The MTFS continues to place reliance on use of reserves to balance the budget. This is possible because reserves were increased in 2022/23, as reported to the JTC at its meeting in July. The 2022/23 outturn was more favourable than expected following receipt of significant additional government grant funding, including late funding from the Department for Transport (DfT) provided on 31 March 2023, meaning a surplus of £6.3m was achieved last year.
- 2.22 The 2023/24 outturn will also be more favourable than the original budget, since Metro fare revenue and interest on balances are outperforming the 2023/24 budget. This will reduce the reliance on reserves by £4.9m, from an originally anticipated £8.0m to £3.1m.
- 2.23 There are a several risks and opportunities contained within the updated MTFP:
- Continued use of reserves to balance the budget, this is not sustainable over the longer term but provides stability for now;
  - Metro Revenue Grant (MRG) indexation – no indexation in 2023/24 has been assumed and DfT provided Nexus with £3.3m in 2021/22 in lieu of MRG not being indexed in future years;
  - Inflation (both pay and non-pay) and the cost of high voltage power;
  - Metro fare revenue;
  - Bus support – secured services and Concessionary Fares;
  - New Fleet / Timetable changes;
  - Local Government Pension Scheme 2025 valuation.

## **Tyne Tunnels**

- 2.24 The Tyne Tunnels are accounted for as a ring-fenced account within the JTC budgets, meaning that all costs relating to the Tunnels are wholly funded from toll income received and Tyne Tunnels reserves, with no call on the levy or other government funding.
- 2.25 The JTC receives all of the toll income from the vehicle tunnels in the first instance, and payments are made under the contract to the concessionaire, TT2, based on traffic levels. Sums retained by the JTC meet costs associated with the Tunnels, primarily interest and principal repayments on borrowing taken out to fund the New Tyne Crossing project, and client costs associated with the management of the contract with TT2.
- 2.26 Payments to TT2 under the concession contract increase annually in line with RPI. The financial model for the Tyne Tunnels and the repayment of the debt incurred in the New Tyne Crossing project assumes that tolls will be maintained in real terms to match the rise in contract payments to TT2 and service debt financing on the tunnels. To allow a break-even position on the Tyne Tunnels revenue account to be maintained, it is therefore assumed that toll increases will be applied where possible, in line with the Order under which the tunnels have the power to charge tolls.
- 2.27 The toll charged to users of the Tunnels can be increased in line with RPI (to a round 10p figure). Levels of inflation, as described in section 2.2-2.3, remain such that it is forecast that an increase will be required for both Class 2 and Class 3 vehicles (estimated to be 0.20p and 0.40p respectively). A recommendation will be presented to TWSC at their January meeting about the level of this increase. As a budget planning principle, it is proposed that the increase in line with RPI be applied as soon as possible, which is expected to be with effect from May 2024.

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

- 3.1 The NECA constitution requires that consultation on budget proposals be undertaken at least two months prior to the budget being agreed. Proposals for consultation will be presented to the JTC at its meeting in November, and this report sets out the context and issues around the budget for 2024/25.

## **4. Alternative Options Available**

- 4.1 This report is for information.

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

- 5.1 Financial forecasts will be updated and more detail presented to the JTC at its meeting in November 2023, with a view to recommending formal agreement of the budget and levies in January 2024.

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

6.1 The budget assumptions and principles presented in this report are designed to support the achievement of the Transport policy objectives of the JTC.

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

7.1 The financial and other resource implications are summarised in detail in the body of the report where they are known. Further details which are developed as part of the budget development and consultation process will be identified in reports to the November 2023 and January 2024 meetings of the JTC.

## **8. Legal Implications**

8.1 There are no legal implications arising from this report which is for information. The JTC must ultimately approve its transport budget and levies unanimously.

## **9. Key Risks**

9.1 Appropriate risk management arrangements are put in place in each budget area by the delivery agencies responsible. Reserves are maintained to help manage financial risk to the authority.

## **10. Equality and Diversity**

10.1 There are no equality and diversity implications arising from this report.

## **11. Crime and Disorder**

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

## **12. Consultation/Engagement**

12.1 The NECA Constitution (in its role as accountable body for the JTC) requires that consultation on its budget proposals be undertaken at least two months prior to the budget being agreed. To achieve this, draft proposals for consultation will be brought to the committee at its meeting in November.

12.2 Individual schemes which may be supported through the funding will be subject to proportionate consultation as appropriate.

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

13.1 There are no other impacts arising from this report.

## **14. Appendices**

14.1 Appendix 1 – Budget Timetable 2024/25 – Joint Transport Committee

## **15. Background Papers**



15.1 JTC Budget 2023/24 – Report to JTC 17 January 2023  
<https://northeastca.gov.uk/wp-content/uploads/2023/01/2023.01.17-JTC-Agenda-Pack.pdf>

**16. Contact Officers**

16.1 Eleanor Goodman, NECA Finance Manager,  
[eleanor.goodman@northeastca.gov.uk](mailto:eleanor.goodman@northeastca.gov.uk)

**17. Sign off**

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

## Appendix 1 – Budget Timetable 2024/25 – Joint Transport Committee

<b>Date</b>	<b>Meeting/Event</b>	<b>Action</b>
19 September 2023	JTC	Budget principles in relation to JTC/Transport budgets and summary of timetable and proposed consultation.
26 October 2023	JTC OSC	Examine initial budget principles and consultation proposals and make any recommendations to the JTC.
21 November 2023	JTC	Consider draft Transport budget proposals and any feedback from JTC OSC.
28 November 2023	NTCA Cabinet	Consider draft Transport budget proposals and implications regarding transport levy for constituent authorities as part of the budget consultation process.
28 November 2023	NECA Leadership Board	Consider draft Transport budget proposals and implications regarding transport levy for constituent authorities as part of the budget consultation process.
14 December 2023	JTC OSC	Consider updated budget proposals as part of consultation process.
16 January 2024	JTC	Approve transport revenue budget and transport levies. Approve transport capital programme.
30 January 2024	NECA Leadership Board	Note the decision of the JTC and issue transport levies to NECA constituent authorities.
30 January 2024	NTCA Cabinet	Note the decision of the JTC and issue transport levies to NTCA constituent authorities.
15 February 2024	Levy letters issued to constituent authorities	Date by which transport levies must be issued in line with the Transport Levying Bodies Regulations.

## North East Joint Transport Committee, Overview and Scrutiny Committee

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**Date:** 26 October 2023  
**Subject:** Nexus Corporate Performance  
**Report of:** Policy and Scrutiny Officer

### Executive Summary

This report is in response to a request by this Committee to be informed of recent Nexus Performance and of the Tyne and Wear Sub-Committee's (TWSC) oversight of the organisation.

The purpose of this report was to provide the TWSC an update on the performance of Nexus against its Corporate Business Plan for 2023/24 at its meeting on 14 September 2023. The report covers Periods 3 and 4 which encompasses 28 May 2023 to 22 July 2023.

Metro patronage continues to grow and was 7.0% above target for Periods 3 and 4.

Metro fare and commercial revenue is ahead of budget and if this performance continues, it may reach pre-pandemic levels this year. However, this still represents a reduction in real terms and Nexus' cost base continues to be under significant pressure due to inflation and the energy crisis. Patronage and revenue on the Shields Ferry and secured bus services are also ahead of budget.

Metro punctuality was 79.5% in Periods 3 and 4 which is below the target of 89.8%. Punctuality continues to be affected by the ongoing challenges of maintaining the existing train fleet in the newly constructed maintenance depot, with faults taking longer to resolve and the backlog larger than would otherwise be the case.

During the period, Metro carried 92,000 additional journeys on the weekend of the Sam Fender and Pink concerts (9-11 June), compared to a typical weekend. Work to refurbish lifts and escalators across the network continues and a significant overhaul of escalators at Haymarket, one of our busiest stations, was completed in July.

Testing of our new fleet of trains continues to progress to plan whilst the final demolition works on the old fleet maintenance depot were completed in Period 4.

On 22 and 23 July, Nexus was proud to support Northern Pride as its official transport and accessibility partner. Similarly in June, Nexus had been Rainbow Sponsor for Sunderland Pride.

The TWSC noted Nexus' performance against its key priorities in its Corporate Plan for 2023/24, including Metro performance.

### **Recommendations**

The Overview and Scrutiny Committee is recommended to:

- a) note the report Nexus' and the Tyne and Wear Sub-Committees decision in relation to it.
- b) Make recommendations to the TWSC in relation to the Nexus performance reporting as considered necessary.

## 1. Background Information

- 1.1 As a separate corporate entity and executive body of the Joint Transport Committee (JTC) the governance and performance oversight of Nexus is provided by the JTC through the Tyne and Wear Sub-Committee (TWSC).
- 1.2 This report provides the Overview and Scrutiny Committee an opportunity to review the performance information TWSC receives in order to perform its governance function.
- 1.3 The report provided summary information about Nexus' progress against its Corporate Plan (CP) targets and objectives for 2023/24 to the TWSC meeting on 14 September 2023.
- 1.4 For 2023/24 the CP has five main themes and 13 key priority work-streams.
- 1.5 A summary of the RAG (Red/Amber/Green) status for each of these workstreams is outlined below:

<b>Safety without Compromise</b>	
<b>Workstream</b>	<b>Status</b>
A Harm Free Environment	The 2023/24 Safety Plan is progressing to plan.
Improve Operational Safety	The 2023/24 SPAD (Signals passed at danger) reduction plan is being implemented.
Reduce anti-social behaviour	We have introduced additional security presence on the network.

### **A Harm Free Environment**

- 1.6 The 2023/24 Safety and Security Plan is progressing to plan, with a focus on reducing workforce harm, customer safety, and public safety.
- 1.7 We are continuing with our escalator and stairs poster safety campaign aimed at reducing customer accidents at stations, especially in the Central corridor. We have also updated our station safety messaging to reflect these risks.

### **Improve Operational Safety**

- 1.8 Nexus is continuing to deliver on the 2023/24 Signals Passed at Danger reduction plan.
- 1.9 Nexus currently has a monthly SPAD reduction working group, made up of attendees from various parts of the business and trade unions. We have taken additional steps to reduce the likelihood of SPADs occurring, including detailed

training sessions, a continued review of our infrastructure, and support for safe and effective driving and management.

**Reduce anti-social behaviour**

- 1.10 In May, Nexus introduced additional security staffing onto the majority of trains after 19:00. This additional presence, taking investment in external security operatives to over £2.0m per annum, is designed to tackle unacceptable behaviours on trains and provide reassurance to customers.
- 1.11 Nexus has relaunched Operation Maple between Meadow Well and Northumberland Park during the spring and summer months, in a joint initiative between Northumbria Police, North Tyneside Council and Nexus. In the first two months of the operation, reports of disorder at all eight coastal stations in North Tyneside have fallen by nearly 50% from the same period last year.
- 1.12 Nexus also continues to support Operation Coastwatch, between Cullercoats and Tynemouth, which sees North Tyneside Council, Northumbria Police and Nexus work together to keep the beaches, Metro network and coastal communities safe. The efforts have been bolstered by the creation of a new ASB taskforce, overseen by North Tyneside Council’s Elected Mayor.
- 1.13 We are working alongside the Police and Crime Commissioners Office to provide training to customer-facing staff around tackling anti-social behaviour across the network.

<b>Customer Experience</b>	
<b>Workstream</b>	<b>Status</b>
Invest in our infrastructure	Work on our Fleet Replacement Programme and renewals work is progressing to plan.
Products, Payments, and Information	Ticketing and information offers for a range of special events have performed well.
An excellent customer experience	Patronage continues to perform well but punctuality is well below target

**Invest in our infrastructure**

- 1.14 Work on construction of the new depot and the manufacture and supply of the new train fleet is progressing well. All of the existing/old buildings at the depot have now been demolished, and construction of the remaining stabling roads is progressing towards entry into service in February 2024. One of the new trains (Unit 4) has been successfully moved to the Nexus Learning Centre in order to support the development and delivery of staff training in preparation for the introduction of the new fleet. We have successfully completed Pre-Delivery Acceptance (PDA) for Units 1 to 8 (inclusive), Units 1 and 2 remain in the Czech Republic for ongoing Dynamic

testing on the test track, and Units 3, 4 and 5 are at Gosforth Depot for testing. Units 6, 7 and 8 have all successfully completed their PDA inspections and they are stabled ready for delivery in the future.

- 1.15 Testing of the new fleet continues on the Nexus network and is expected to be the most challenging phase of the programme with reliance on effective collaboration between Stadler and Nexus, as well as support from across the organisation, to ensure it remains to programme.
- 1.16 The programme has been recently re-set, with implementation of the new fleet now running around five months behind the original schedule. The aim is for the first run in customer service to take place by end of 2023, however this is planned be a short demonstration run only with a more consistent customer service provided early 2024.
- 1.17 We are continuing to work with Transport North East and the DfT to secure funding for the proposed relocation of the North Shields Ferry Landing and the Joint Transport Committee provided its support for a funding solution at its July meeting.

### **Products, Payments, and Information**

- 1.18 Metro carried 92,000 additional journeys on the weekend of the Sam Fender and Pink concerts (9-11 June), compared to a typical weekend. More than 11,000 people bought special event travel tickets, sold alongside the normal ticket range. Metro revenue was 41% higher than normal for the weekend.
- 1.19 Nexus provided comprehensive travel information to both events and to hotels and major employers, both for concertgoers and people wanting to avoid the busiest times. This was shared by partners including Sam Fender himself. The weekend saw a 300% increase in visits to nexus.org.uk with 67% of these first time visitors to the site.
- 1.20 Nexus and the region's bus companies have agreed to work in partnership for a second year running to support this year's Great North Run. A £6 Great North Run Rover has been sold by Nexus as a wristband available in advance for runners usable on all bus, Metro and Ferry in the region.
- 1.21 Since the launch of our expanded Pop Blue product offering £1 single fares for those aged 21 and under, we have seen passenger journeys in this segment increase by roughly 30% on Metro and 70% on Ferry.
- 1.22 Over 5,000 customers a week traveling on Nexus' secured bus service network are benefiting from the £2 adult fare scheme.

### **An excellent customer experience**

- 1.23 Metro patronage for Periods 3 and 4 of 2023/24 was 4.99m, which was 7.0% above target.

- 1.24 The rolling 13 period Metro patronage figure is 30.10m which is 3.48% above the target of 29.00m journeys.
- 1.25 Metro punctuality was 79.5% in Periods 3 and 4 which is below the target of 89.8%. Punctuality was affected by the ongoing challenges of maintaining the existing train fleet in the newly constructed maintenance depot.
- 1.26 The 13 period Moving Annual Average punctuality figure is 79.6% which is 7.6% below the target of 87.2%.
- 1.27 In January 2023, Stadler opened the new Metro depot at South Gosforth which coincided with a reduction in fleet availability and punctuality per period. The move to the new depot created issues around Metro cars being stopped with faults taking longer to resolve and the backlog larger than would otherwise be the case. Stadler has been unable to meet their contractual availability requirements, resulting in regular cancellation of services, in particular peak short services, for which contractual penalties have been levied by Nexus.
- 1.28 Stadler are addressing these challenges by increasing their staffing establishment in key areas and appointing external specialists to assist in diagnosing some of the power faults they are encountering.
- 1.29 For Periods 3 and 4 of 2023/24 Ferry patronage was 69,283, which was 2.1% above target.

<b>Assets and Technology</b>	
<b>Workstream</b>	<b>Status</b>
Improve our physical assets	Work to improve our physical assets is continuing as planned.
Technology	Nexus is leading on a smart multi modal ticketing project.

**Improve our physical assets**

- 1.30 Work on the refurbishment of Whitley Bay and Monkseaton Metro Stations began in the reporting period. Works at Whitley Bay will include the restoration of the steelwork and glazing on the station canopy and the renewal of the stairs in the station.
- 1.31 In August, the Buckingham Group, main contractor for the works at Whitley Bay Station, filed a Notice of Intention to appoint Administrators. Nexus is closely monitoring the situation as it evolves and will work alongside administrators and any potential buyers to understand what impact this will have on planned capital works.



- 1.32 The 40 year old stained glass artwork on the gable ends of the Monkseaton station canopy are also being restored and toughened at Sunderland's National Glass Centre.
- 1.33 In Period 4, Haymarket station re-opened for both entry and exit following a significant renewal project which saw the drive chains and steps replaced on two of the of the station's three escalators.
- 1.34 Work on the renewal of the third escalator at Haymarket is expected to commence following the Great North Run. These works may require Haymarket station being made exit only for periods whilst this work is completed.
- 1.35 In the reporting period, work to renew the lifts at Central Station and Benton continued.

**Technology**

- 1.36 Nexus is leading a project to develop 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.
- 1.37 Nexus is also working alongside Northumberland County Council to introduce Zonal ticketing to the Northumberland line which is currently under construction.

<b>Sustainability</b>	
<b>Workstream</b>	<b>Status</b>
Environmental	We have started to implement our Sustainability Strategy.
Financial	Fare Revenue continues to perform well

**Environmental**

- 1.38 Following the completion of our Sustainability strategy, a number of actions to improve Nexus' environmental performance are progressing to plan.
- 1.39 We are working with our partners on the CLEANFERRY project to explore options to improve the environmental performance of the Shields Ferry.

**Financial**

- 1.40 Metro fare and commercial revenue for Periods 3 and 4 of 2023/24 was £7.49 million. To the end of Period 4, fare revenue is ahead of budget and if this performance continues, it may reach pre-pandemic levels this year. However, this still represents a reduction in real terms and Nexus' cost base continues to be under significant pressure due to inflation and the energy crisis. Nexus was awarded £3million of additional Metro Rail Grant for revenue expenditure on the Metro system

to 31 March 2023, enabling other funding to be carried forward and held in reserves in order to accommodate unbudgeted pressures in 2023/24, specifically in relation to the cost of high voltage power.

- 1.41 Ferry fare revenue for Periods 3 and 4 of 2023/24 was £74,412, which was 11.6% above the budget of £66,665.
- 1.42 For Periods 3 and 4, Secured Bus revenue was £651,675 which was 62.9% better than the budget of £399,812.

<b>Our People</b>	
<b>Workstream</b>	<b>Status</b>
A great place to work	The outcomes of our Culture Survey are now being analysed and discussed with colleagues.
Developing our people	We have launched online learning and development for colleagues across Nexus.
An engaged workforce	We are reviewing our approach to employee engagement.

**A great place to work**

- 1.43 On 22 and 23 July, Nexus was proud to support Northern Pride as its official transport and accessibility partner. Earlier in the month, Nexus had also been official Rainbow Sponsor for Sunderland Pride.

**Developing our people**

- 1.44 In Periods 3 and 4, Nexus hosted 33 Work Experience Students from across the region. Feedback from both Students and Schools has been very positive.

**An engaged workforce**

- 1.45 Analysis of our employee culture survey has been completed and whilst the results were broadly positive for the organisation, we are now working with colleagues to identify ways in which we can improve on areas where further opportunities were identified.
- 1.46 Work on our Safety and Security, Metro Operations, and Bus 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 immediate financial implications arising from this report and that Nexus' performance is being managed from within existing resources.

### **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 2023/24 as approved at the Sub-Committee's meeting in July 2023.

### **16. Contact Officers**

16.1 Huw Lewis  
Customer Services Director  
Email [Huw.Lewis@nexus.org.uk](mailto:Huw.Lewis@nexus.org.uk)

Gavin Armstrong  
Policy and Scrutiny Officer  
Email [Gavin.Armstrong@northeastca.gov.uk](mailto:Gavin.Armstrong@northeastca.gov.uk)

### **17. Sign off**

17.1

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

### **18. Glossary**

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



## **North East Joint Transport Committee, Overview and Scrutiny Committee**

**Date:** 26 October 2023

**Subject:** Joint Transport Committee Forward Plan and Scrutiny Work Programme

**Report of:** Policy and Scrutiny Officer

### **Executive Summary**

The purpose of this report is to provide an update on the suggested work programme for 2023/24 for the Joint Transport Overview and Scrutiny Committee.

### **Recommendations**

The Overview and Scrutiny Committee is recommended to:

- i. Review and comment on the suggested work programme.

## **1. Background Information**

- 1.1 The Joint Transport Committee (JTC) Forward Plan is a document which the Joint Transport Committee is required to maintain under the Combined Authorities (Overview and Scrutiny, Access to Information and Audit Committees) Order 2017. The Forward Plan for the Joint Transport Committee, and its Subcommittees is published on both the North East Combined Authority's website and on the North of Tyne Combined Authority's website. It lists the decisions that the Joint Transport Committee and its Officers intend to take in the coming months and must include all decisions to be made in the next 28 days. The JTC Forward Plan template contains specific information relating to each decision, including the date the decision will be made, a brief explanation of the topic, the consultation to be undertaken, and contact details of the author. The JTC Forward Plan template has recently been updated and includes further information including if the decision is a 'Key Decision' and if an item will be discussed in private.
- 1.2 Details of each decision are included on the JTC Forward Plan 28 days before the report is considered and any decision is taken. This supports the transparency of decision making across the Joint Transport Committee and allows members of the public to see the items that will be discussed. There are special procedures for circumstances where publication for the full 28 clear day period is impractical or where there is special urgency. Both of these procedures involve the Chair of the Overview and Scrutiny Committee and would be reported to the committee at the next meeting.

### **Role of Overview and Scrutiny**

- 1.3 The Joint Transport Committee, Overview and Scrutiny Committee has been established in accordance with Schedule 2 (4) of The Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018.
- 1.4 The Joint Transport Committee, Overview and Scrutiny Committee can examine any decisions of the Committee – be that by the JTC itself or a subcommittee, constituent authority, or officer holding delegated authority. This Scrutiny occurs in public and ensures democratic and public accountability.
- 1.5 One of the main functions of this Committee is the review and scrutiny of 'Key Decisions' made by the Joint Transport Committee and its Officers. The relevant regulations set out a test for what should be considered a Key Decision – being those which are most significant in financial or other terms. This is explained in the Decision-Making Protocol of the North East Combined Authority that was adopted by the Joint Transport Committee for its use at its inaugural meeting in November 2018.

### **Requests for Special Urgency/General Exception**

- 1.6 In accordance with the Decision Making Protocol, it was agreed by Members that the request of any Short Notice Procedure that involved the Chair of the Overview

and Scrutiny Committee would be reported at the next Committee. The table below shows the number of requests made since the last meeting was held:

Type of Short Notice Procedure	Number of Requests since previous Committee
Requests for Special Urgency	1
Request for General Exception	0

The request for Special Urgency related to the appointment of a contractor to carry out remedial works on the Tyne Pedestrian and Cycle Tunnels.

Details of requests for Special Urgency and General Exception can be found at this website <https://northeastca.gov.uk/decision-making/forward-plan/special-notice-and-urgency-provisions/>.

### **Annual Work Programme – Approach for ongoing overview and scrutiny of Transport Plan**

- 1.7 A JTC OSC working group was set up in March 2021 to discuss an approach for ongoing oversight and scrutiny of the Transport Plan when it comes into effect and recognised that that the Transport Plan gives the OSC clarity of the policy framework it is operating within and focus for the future.
- 1.8 At the 25 March 2021 OSC meeting members discussed and agreed that the Transport Plans objectives and policy statements can provide structure to the OSC's Work Programme over the next few years, by enabling it to focus on a particular area in each meeting. The committee also discussed an approach to structuring future meetings which involved receiving and debating an overview on progress being made on the Transport Plan and its objectives, planned future actions, and then providing the opportunity to scrutinise particular areas of the plan in more detail.
- 1.9 The scheduling of these areas of would be informed by whichever is the most advanced in the development of its delivery plan. This would provide the OSC the opportunity to have an effective and productive input into the delivery of the Plan. By the end of each meeting, the OSC should understand the Objective and its delivery plan so it is then able to monitor it and assist in providing ideas/proposals to support delivery or overcome obstacles (e.g. by identifying alternative actions for consideration by the JTC).
- 1.10 There is the opportunity to use, where appropriate, external input into the OSC meetings when considering the objectives and specific issues that may be of interest to certain groups.
- 1.11 The most recent version of the work programme (appendix two) has been compiled to allow the Overview and Scrutiny Committee the opportunity to consider items that will be of regional importance to the Joint Transport Committee, the JTC

forward plan and items previously raised by Members. A link to the current forward plan can be found [here](#).

- 1.12 It should be noted that the work programme covers items that will be discussed at the meetings. It does not preclude 'deeper dives' providing more focused scrutiny of particular topics by a sub-group of the committee outside of these meeting dates. These topics can be raised with the Chair and Scrutiny Officer at any time.
- 1.13 The Committee is asked to review and discuss the suggested work programme.

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

- 3.1 To provide an opportunity for Committee members to input on any additional items as part of continued planning for the Work Programme for 2023/24.
- 3.2 The work programme will be refreshed and updated at each meeting of the Committee throughout the year.

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

- 4.1 There are no alternative options available.

### **5. Potential Impact on Objectives**

- 5.1 Development of a work programme and review and scrutiny of decisions in the JTC Forward Plan will contribute towards the development and implementation of the policy framework of NECA, NTCA, Nexus and the North East LEP as well as providing appropriate challenge to decisions taken.

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

- 6.1 No financial or other resource implications are identified at this stage.

### **7. Legal Implications**

- 7.1 There are no specific legal implications arising from these recommendations.

### **8. Key Risks**

- 8.1 There are no key risks associated with the recommendations made in this report.

### **9. Equality and Diversity**

- 9.1 There are no specific equality and diversity implications arising from this report.

### **10. Crime and Disorder**

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

### **11. Consultation/Engagement**



11.1 On-going consultation takes place with Officers and Scrutiny Members across the local authorities that make up the Joint Transport Committee, in regard to the items for the Annual Work Programme as Appendix One.

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

12.1 The proposals consider the wider impact and take into account the Principles of Decision Making. They allow Members' consideration of the items on the JTC Forward Plan and allow them the opportunity to have an overview of all performance, decision making and developments across the Joint Transport Committee structure.

## **13. Appendices**

13.1 Appendix One – Annual Work Programme

## **14. Background Papers**

14.1 None.

## **15. Contact Officers**

15.1 Gavin Armstrong, Policy and Scrutiny Officer  
Email: [gavin.armstrong@northeastca.gov.uk](mailto:gavin.armstrong@northeastca.gov.uk)  
Telephone Number: Tel No: (0191) 4247537

15.2 Mike Barker  
email: [mikebarker@gateshead.gov.uk](mailto:mikebarker@gateshead.gov.uk)  
Telephone: (0191) 433 2100

## **16. Sign off**

- 16.1
- The Proper Officer for Transport: ✓
  - Head of Paid Service: ✓
  - Monitoring Officer: ✓
  - Chief Finance Officer: ✓

## **17. Glossary**

17.1 NECA - North East Combined Authority  
North East LEP - North East Local Enterprise Partnership  
NTCA – North of Tyne Combined Authority

**Joint Transport Committee: Overview and Scrutiny Work Programme  
July 2023**

**Standing Items for each Committee Meeting:**

- Declaration of Interest
- Minutes of Previous Meeting
- JTC Forward Plan and Work Programme Report

**Source of work programme and items of importance:**

The Overview and Scrutiny Committee obtains work programme items from the following sources:

- a) Items submitted by Members of the Committee (and including items referred by other members of the Combined Authorities)
- b) Suggestions from Officers
- c) The Budget and Policy Framework; Transport Plan
- d) The JTC Forward Plan
- e) The Proper Officer for Transport
- f) Evidence for any policy review work regarding Transport

**Suggested Work Programme 2023-2024**

Meeting Date	Subject
Dec 2023	<ul style="list-style-type: none"> <li>• Transport Plan refresh - Update</li> <li>• BSIP fares - performance update</li> <li>• Transport Budget Proposals 2024/25</li> <li>• Enhanced Partnership Update</li> </ul>
March 2024	<ul style="list-style-type: none"> <li>• <i>Transition of the transport function to the new Mayoral Combined Authority</i></li> </ul>

It should be noted that the work programme covers items that will be discussed at the meetings. It does not preclude ‘deeper dives’ providing more focused scrutiny of particular topics by a sub-group of the committee outside of these meeting dates. These topics can be raised with the Chair and Scrutiny Officer at any time.