



Joint Transport Committee Overview and Scrutiny Committee

Thursday, 25th June, 2020 at 10.00 am

Meeting to be held virtually via Microsoft Teams

AGENDA

	Page No
1. Apologies for Absence	
2. Declarations of Interest	
Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (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 Inquorate Meeting held on 19 December 2019	3 - 6
4. Support for the bus network during the Covid-19 pandemic	7 - 14
5. North East response to the Transport Select Committee Inquiry into Coronavirus: implications for transport	15 - 22
6. North East Transport Plan Update	23 - 30
7. Joint Transport Committee Forward Plan and Scrutiny Work Programme	31 - 38
8. Date of next meeting	

The next meeting will be held on 1 October 2020 at 10am.

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JOINT TRANSPORT COMMITTEE, OVERVIEW AND SCRUTINY COMMITTEE

DRAFT MINUTES FOR APPROVAL

Thursday 19 December 2019, 2pm

Meeting held at South Shields Town Hall, Reception Room

Present:

- D Taylor-Gooby – Chair
- A Clark – Vice Chair
- M Harrison – Gateshead Council
- E Goodman – NECA
- Gavin Armstrong – NECA
- M Mallam-Churchill – Gateshead Council (Minutes)

Councillors:

- Cllr Avery – Newcastle
- Cllr Kelly - Sunderland
- Cllr MacKnight – Sunderland
- Cllr Manchester – Durham
- Cllr McCabe – South Tyneside Council
- Cllr Patterson - Gateshead
- Cllr Graham – North Tyneside Council
- Cllr Sanderson – Northumberland

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from the following:

- Cllr Batey – Durham
- Cllr Clarke – Durham
- Cllr Crute – Durham
- Cllr Castle – Northumberland
- Cllr Eagle – Gateshead

- Cllr Glindon – North Tyneside
- Cllr Stone – Newcastle
- Cllr Stuart – Sunderland

2. DECLARATIONS OF INTEREST

RESOLVED:

- (i) There were no declarations of interest.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 19 SEPTEMBER 2019

RESOLVED:

- (i) The meeting was not quorate therefore the meetings of the previous meeting could not be approved as a correct record.
- (ii) The Committee held a minute of silence for Cllr Weatherley of Gateshead Council.

4. BUDGET PROPOSALS

Eleanor Goodman presented a report providing the Committee with an updated budget proposal for the North East Joint Transport Committee following the earlier report on initial proposals which was presented at the OSC meeting of 7 November 2019.

The Committee were advised that the information being provided is part of a consultation process on the budget as set out in the NECA Constitution.

A summary of the draft proposals was provided for the Committee which included information relating to transport levies and grants in addition to proposals for a cash freeze. Details of the draft proposals were outlined in more detail within the agenda pack.

Cllr Patterson queried whether the proposals within the current report were likely to change. Eleanor advised that she did not anticipate any surprises; it was also noted that any further changes would need to be approved by the Joint Transport Committee.

A discussion took place as to whether there had been enough opportunity to scrutinise the proposals. Eleanor confirmed that a detailed paper had been presented at the previous meeting of the OSC which also outlined details on the medium-term financial strategy. Eleanor advised that she would circulate the report previously brought to OSC again for the Committees information.

A further discussion took place on the future of the Metro fleet. The Committee also shared their views on the potential for driverless trains in the context of public safety and jobs. It was noted that Cllr Gannon of Gateshead Council had contacted the Minister for Transport on this and other issues. The Committee noted their endorsement for Cllr Gannon's letter but highlighted concerns that the transport system across the region is fragmented.

5. JTC OSC Work Programme

The Committee received an overview of the Joint Transport Committee Forward Plan and Scrutiny Work Programme for 2019/20.

It was requested that the following be added to the Work Programme:

The fragmentation of the travel network across the borough.

Bus operators to be invited to attend future OSC's to assist the Committee in understanding their policies and procedures in the context that not all people across the region have access to the Metro system.

The Chair suggested that a scoping meeting be organised to fine tune a work programme for the Committee moving forward. It was also suggested that the scoping meeting be used to go through the Joint Transport Committee plans.

6. AOB

Members present requested that the time of the OSC meetings be reviewed for the 2020/21 cycle of meetings.

7. DATE AND TIME OF THE NEXT MEETING

The next meeting will take place on 19 March 2020 at Newcastle Civic Centre.

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North East Joint Transport Committee Overview and Scrutiny Committee

Date: 25 June 2020

Subject: Support for the bus network during the Covid-19 pandemic

Report of: Managing Director, Transport North East

Type of Item Briefing

Purpose of the report

The purpose of this report is to inform the North East Joint Transport Committee, Overview and Scrutiny Committee of the difficulties affecting the bus sector and how longer-term issues may be managed.

The Covid-19 pandemic has severely reduced the number of people using bus services in the North East. Social distancing guidelines will mean that reduced capacity on buses will persist for many months.

Local authorities and central government have provided emergency funding to bus operators that has allowed them to maintain a basic level of service during the lockdown period. Further funding is being provided to help restore services during the restart phase.

Recommendations

The North East Joint Transport Committee, Overview and Scrutiny Committee is recommended to:

- i. Note the financial assistance provided to the local bus market to sustain it during the crisis brought about by the Covid-19 pandemic;
- ii. Note the wider work being undertaken on the development of potential conditions that could be applied to concessionary fare and tendered bus service payments, that are being made to bus operators at pre-pandemic levels at the request of the government, and that further details will be reported to a future meeting; and
- iii. Note that the development of longer-term options to align development of the bus network with the JTC's objectives in the post-Covid-19 environment are being considered.

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
 - promote effective discussion and consider the information in the report
1. The impact the matter has on individuals in the community and across the North East Combined Authority
 2. Focus on the efficiency and effectiveness of the proposals, next steps and any potential changes
 3. Consideration to any risks that may occur
 4. Scrutiny focusing on any performance management or quality assurance

1. Background Information and current context

1.1 The bus network in the North East is a vital element of our transport system. It provides transport links that help fuel the regional economy by providing access to jobs, workforces and customers. It allows socially important connections to be maintained for visiting relatives and friends, and accessing leisure and shopping destinations. It helps to tackle the environmental and congestion problems caused by the private car. For most of our region, which is not served by heavy rail or Metro links, it is the only alternative for people who wish to make longer journeys and cannot or choose not to drive a car.

1.2 In total, budgets in the North East are around £70m for secured bus services and concessions during 2020/21. This covers payments made by Nexus, Northumberland County Council and Durham County Council.

Impact of lockdown due to Covid-19

1.3 The Covid-19 pandemic has caused a financial crisis in the bus industry. The message during lockdown for all but essential workers to stay at home led to an immediate and profound reduction in ridership, up to around 90%, and along with it an almost total loss of commercial income.

Nevertheless the bus network has continued to play an important role throughout the lockdown period in getting key workers to their places of employment and facilitating essential shopping trips albeit on networks with much reduced frequencies.

It was recognised at an early stage that in order to facilitate this, and to prevent the long-term collapse of the industry, urgent financial assistance to operators was required in order for them to be able to keep bus services operating.

1.4 This financial assistance has taken the following forms:

- Continued payment by the government of the Bus Service Operators Grant (BSOG) to bus operators for commercial services and to local authorities for tendered services at the rate operating prior to the pandemic.
- The government has also asked local government to maintain concessionary fare and tendered bus service payments to bus operators at the value that was being paid immediately before the emergency. Nexus, Northumberland County Council and Durham County Council have all complied with this request. These payments amount to around £1.35m per week in total.
- An emergency Covid-19 Bus Service Support Grant (CBSSG) from the government which provides bus operators with short term supplementary funding which has enabled them to cover the financial gap between operating a route network for key workers (up to 50% of previous mileage), and the funding already available to them.
- Local Transport Authorities have also received a version of CBSSG aimed at funding the shortfall in fares revenue on bus contracts where they take the revenue risk; and

Local Transport Authorities awarded additional funds for bus services through the government's recent 'Better Deal For Bus Users' fund are able to utilise this funding to support bus services during the emergency and the ensuing recovery period.

1.5 The effect of the emergency financial assistance has been to skew the sources of bus industry funding in the UK (outside London) such that almost all funding now comes from the public sector in one form or another. Prior to the Covid-19 crisis, 61% of funding came from passenger fares, 33% from local authorities and 6% from central government. Since the emergency funding measures were put in place, only 5% comes from passenger fares, 54% from local authorities and 42% from central government.

1.6 Co-operation between local authority officers and bus operators has been constructive and positive throughout the pandemic, and performance levels have been high.

Restart phase

1.7 Through the restart phase, major financial challenges for the bus network remain:

- As the economy will reopen slowly in different phases, demand will naturally remain depressed;
- Some former bus passengers may be unable or unwilling to use public transport for a variety of reasons for some time to come; and
- Social distancing measures have a dramatic impact on the number of people that can be carried on any given vehicle, with up to 80-85% less capacity available. It will also impact on waiting arrangements at bus stops and interchanges.

Nevertheless given the vital role that buses play in the local economy and society, it is important that bus networks can be quickly reinstated to levels as near as possible to those seen before the crisis began.

- 1.8 The government has recently confirmed that it will continue to pay CBSSG (but without any limitation in the mileage operated) and BSOG. This is intended to assist bus operators in increasing the number of services they provide to close to pre-pandemic levels. At the time of writing the future of the Local Authority version of CBSSG is unclear; It is understood that this will be reviewed by the government at the end of June.
- 1.9 The government has also repeated its request to local government to maintain concessionary fare and tendered bus service payments to bus operators at pre-pandemic levels. Whilst Nexus, Northumberland County Council and Durham County Council continue to do so, there are some concerns as to the open-ended nature of this request, and over the mechanism being used. It may be that this is addressed by attaching certain conditions to future payments in order to address these concerns, which could include, for example, open-book accounting and joint working on network development.

Recovery phase

- 1.10 As with all public expenditure, it is important that there is transparency over these payments and accountability for the outcomes achieved. Work is underway with other Combined Authorities across the country to develop a common set of conditions intended to achieve this. Further discussions will take place with the JTC when this work has been concluded with a view to considering how this is to be taken forward and reflecting local conditions. Any conditions attached to the funding will need to be separately agreed by Durham, Northumberland and Nexus.
- 1.11 Public transport demand will be affected by many uncertainties for a long time in the future. These include the longevity of social distancing measures; the speed at which the economy recovers; whether a 'second wave' of Covid-19 causes a future repeat of lockdown; confidence in public transport; and long-term changes to working conditions and social habits.
- 1.12 It seems highly probable, therefore, that bus networks will continue to need additional public funding support for many months to come, if not years. The long-term future of exceptional government support is also uncertain at this point in time.
- 1.13 However the need to sustain a high quality bus network remains. Not only do many people in the North East rely wholly on the bus for their transport; but it is also imperative that when the effects of the Covid-19 pandemic have passed, that the bus system remains intact so that it can continue its role in moving large numbers of people around in an efficient and environmentally-friendly way. It is also worth noting that the bus industry employs several thousand people in the North East.
- 1.14 The JTC and its constituent authorities will continue to make the case for financial support to the bus industry from central government for as long as the effects of Covid-19 continue to have a negative impact. This may be directly through existing contacts with government and through Members of Parliament; through membership groups such as the Urban Transport Group, M9, and the Local Government Association; and jointly with the bus companies.

Longer term

- 1.15 On 1st May 2020 the Council Leaders and Elected Mayors in North East England wrote to the Prime Minister in relation to transport funding to assist with economic recovery. As well as seeking an urgent commitment to funding to help restore public transport to pre-Covid levels, the letter also said that “a new model for public transport is urgently needed in the North East (...) supported by a long-term devolved funding settlement from central government”.
- 1.16 A separate letter to the Secretary of State for Transport, signed by the Chair of the JTC along with transport political leads from other combined authorities across the UK made a “proposal for funding for buses which would simplify and devolve funding for buses during the recovery phase by routing bus funding to transport authorities”.
- 1.17 Further work is to be carried out into future models of bus service funding and provision, to ensure that the development of the local bus network post-Covid-19 meets the long-term aims of the JTC and the needs of local communities.
- 1.18 This work is likely to involve close co-operation with local bus operators as well as the development of options jointly with other areas of the country which are faced with similar challenges, and with the government. Options will be provided to the JTC in due course when they are sufficiently developed.

2. Key Issues and challenges

- 2.1 JTC and its constituent authorities intend to continue to make the case for financial support to the bus sector from central government for as long as the effects of Covid-19 continue to have a negative impact.
- 2.2 Work is to be carried out into future models of bus service funding and provision, jointly with relevant partners, to ensure that the development of the local bus network post-Covid-19 meets the long-term aims of the JTC.

3. Principles of decision making

- 3.1 The proposals are intended to secure the ongoing provision of local bus services in the longer term.

4. Potential Impact on Objectives

- 4.1 Bus services are vital to our transport and wider economic, social and environmental objectives in the North East. The recommendations of this report will ensure that these services are sustained during the recovery from Covid-19.

5. Financial and Other Resources Implications

- 5.1 There are no direct financial implications for the JTC arising from this report.
- 5.2 The report does however refer to financial implications for Nexus, Northumberland County Council and Durham County Council in relation to

payments to bus operators, and these will be managed through the appropriate governance processes of each body.

6. Legal Implications

- 7.1 The relevant powers under the Transport Act 1985 relating to the financial support from local authorities to bus operators referred to in this report have been delegated by the JTC to the county councils for their respective areas. Nexus, the Passenger Transport Executive holds similar powers under the Transport Act 1968. There are therefore no direct legal implications for the JTC arising from this report.

7. Equality and Diversity

- 8.1 A good bus service network will ensure a public transport option is available to people across the North East. The specific needs of people with mobility problems is enshrined within regulations regarding buses and steps will be taken to ensure all people with particular needs can be accommodated on buses during the period of social distancing.

8. Crime and Disorder

- 8.1 At this stage there are no specific crime and disorder issues identified with this proposal.

9. Other Impacts

- 9.1 None

10. Next Steps

- 10.1 Further work is being carried out both into making the case for future funding, and in developing future models of public transport provision. Updates will be provided to the JTC as information becomes available.

11. Appendices

- 11.1 None

12. Background Papers

- 12.1 None

13. Contact Officers

- 13.1 Tobyn Hughes, Managing Director, Transport North East
Email: tobyn.hughes@nexus.org.uk

14. Sign off

- 14.1
- Head of Paid Service:

- Monitoring Officer:
- Chief Finance Officer:

15. Glossary

15.1 DfT – Department for Transport

ENCTS – English National Concessionary Travel Scheme for older people and people with disabilities

BSOG – Bus service Operator Grant, a rebate on fuel duty paid to bus operators by Government

CBSSG – Coronavirus Bus Service Support Grant, the current grant arrangements put in place by Government to support bus operators' finances

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North East Joint Transport Committee Overview and Scrutiny Committee

Date: 25 June 2020

Subject: North East response to the Transport Select Committee inquiry into Coronavirus: implications for transport

Report of: Managing Director, Transport North East

Type of Item Briefing

Purpose of the report

The purpose of this report is to inform the North East Joint Transport Committee, Overview and Scrutiny Committee of the North East written evidence submission to the House of Commons Transport Select Committee's inquiry into Coronavirus: implications for transport.

Recommendations

The North East Joint Transport Committee, Overview and Scrutiny Committee is recommended to note the contents of this report and note the response sent to the House of Commons Transport Select Committee inquiry.

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;
- promote effective discussion and consider the information in the report.

1. The impact the matter has on individuals in the community and across the North East Combined Authority
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3. Consideration to any risks that may occur
4. Scrutiny focusing on any performance management or quality assurance

1. Background Information and current context

- 1.1 Following the outcome of the December 2019 UK General Election, Parliamentary Select Committees were re-established for the new Parliament in early 2020.
- 1.2 Select Committees carry out a scrutiny role of the UK government and specific government departments, in this case the Department for Transport.
- 1.2 Select Committees reflect the membership of the House of Commons and following the result of the 2019 General Election result, Conservatives hold 16 chair positions, Labour have nine and the Scottish National Party take two.
- 1.3 Huw Merriman MP was elected Chair of the Transport Select Committee on 30 January 2020. 11 MPs make up the membership of the Committee, with Easington MP, Grahame Morris being the sole NE JTC area representation.
- 1.4 On 6 May 2020, the committee launched an inquiry into 'Coronavirus: implications for transport'.
- 1.5 As part of the inquiry, the Committee is asking transport workers, stakeholders and members of the public to write to them about the transport issues they face during the coronavirus outbreak.
- 1.6 MPs on the Committee will then will explore the impact felt by the industry, its workers and passengers in a rolling programme of work to monitor the impact of coronavirus on UK transport, sector by sector.
- 1.7 Virtual Committee meetings have been held throughout May, and June 2020, with external stakeholders also giving oral evidence.

1.8 It is expected that among subsequent sessions, MPs will look at rail, local transport and national infrastructure projects.

1.9 It was agreed that the NE JTC area respond to the call for evidence by submitting a response by the end of June deadline, outlining how our region's transport network has coped during the current crisis, along with out short, medium and long-term asks to central government. The deadline to respond to the call for evidence is Monday 29 June 2020.

2. Key Issues and challenges

2.1 The response primarily focuses on the impact on the region's bus industry, the impact on the Tyne and Wear Metro and Nexus, as well as the impact on the Tyne Tunnels.

2.2 We make the case that Local Government is simply not able to carry the burden of wholly new costs related to transport; it is struggling to manage the mounting costs of delivering social care and other essential community services and Central Government must address this.

2.3 The response also outlines a summary of our key asks to Central Government.

2.4 See **Appendix 1** for a copy of the proposed response.

3. Principles of decision making

3.1 Heads of Transport and Transport Strategy Board have been consulted on the proposal.

3.2 Providing evidence to the inquiry will help assist the committee in carrying out its scrutiny role of the UK government and the Department for Transport.

3.3 A specific North East response will allow the region's voice to be heard and our evidence will be incorporated into the report the committee will publish on the inquiry, along with recommendations for the government.

3.4 The government is expected to respond to any recommendations that are made. Any recommendations made could be made as a result could help achieve the North East's transport objectives.

4. Potential Impact on Objectives

4.1 None

5. Financial and Other Resources Implications

5.1 There are no financial and other resources implications.

6. Legal Implications

6.1 Evidence submitted as part of the inquiry may be published and submissions

must make clear if evidence provided must remain confidential.

7. Equality and Diversity

8.1 There are no equality and diversity implications arising from the proposal.

8. Crime and Disorder

8.1 There are no crime and disorder implications arising from the proposal.

9. Other Impacts

9.1 No specific implications.

10. Next Steps

The region will continue to take a proactive response in responding to calls for evidence which will help achieve the North East's transport objectives.

11. Appendices

11.1 Appendix 1 – NE JTC submission to the call for evidence.

12. Background Papers

12.1 None

13. Contact Officers

13.1 Tobyn Hughes, Managing Director, Transport North East
Email: tobyn.hughes@nexus.org.uk

Harry Nicol, Senior Specialist Transport Planner, Transport North East Strategy Unit, Email: harry.nicol@northeastca.gov.uk

14. Sign off

- 14.1
- Head of Paid Service:
 - Monitoring Officer:
 - Chief Finance Officer:

15. Glossary

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



House of Commons – Transport Select Committee – Coronavirus: implications for transport **Written evidence submitted by the North East Joint Transport Committee (NE JTC)**

The NE JTC brings together the two Combined Authorities which have statutory transport powers for the area:

- The North East Combined Authority (Durham, Gateshead, Sunderland and South Tyneside),
- The North of Tyne Combined Authority (Newcastle, North Tyneside and Northumberland).

Pre-Covid-19 situation

The North East is home to almost two million people. Before the Coronavirus crisis hit, our economy generated over £40 billion each year, and jobs for 868,000 people, as of December 2019.

Good public transport has always been incredibly important to the North East. Before Covid, people in our area used public transport more than most other parts of the country. Each working day around 450,000 people travelled by bus and another 100,000 on the Tyne and Wear Metro.

Present situation

- Public transport is for essential travel only, and so is currently between 7% (Metro) and 15% (bus) of normal daily trips in the region, although this is growing.
- Metro has returned to its weekday peak time frequency (every 3 minutes)
- Buses are currently operating a Sunday-like timetable, but there are plans to scale back up subject to funding.
- Traffic levels are rising fast. Early lockdown it was -65% of pre-Covid levels, now back to -35%.
- The government has provided additional funding for Metro, which will enable Nexus to reintroduce a normal timetable and sustain services up to 4th August.
- The absence of fare-paying passengers means that funding for buses is being provided almost entirely by the public sector during lockdown, of which approximately 42% is from central government and 54% from local government.

Tyne and Wear Metro and Nexus

Metro is the light rail network for the Tyne and Wear area of North East England. It delivers accessible, sustainable transport, fulfilling 36.4 million passenger journeys in 2018/19. With a fleet of 89 trains serving 60 stations, Metro is a vertically-integrated system, owned and operated by Nexus, the Tyne and Wear Passenger Transport Executive. Metro is part of everyday life in Tyne and Wear, an essential part of the fabric of the region and accessible to over 40% of the population.

For Metro, advising against all but essential travel has been a success. A reduced timetable was implemented for people travelling to hospitals, supermarkets or those who cannot work from home, including frontline NHS staff.

However, this led to heavy financial losses as a result of fare income plummeting. April 2020, saw passenger levels fall by 95.5% in comparison to the same period last year.

Government has agreed to provide Nexus with £16.2m of emergency funding for the Metro. This support has been announced in two tranches; an initial £8.6m for the period 17 March to 9 June which was confirmed on 12 May and a further £7.6m announced on 23 May for the period 12 May to 4 August. Whilst on the face of it, this second tranche of funding appears to be less than the first tranche of funding, the second tranche is back dated to 12 May, so there is a four-week period where the first and second tranches overlap. This means that the second tranche is better for Nexus and is designed to effectively cover its net losses in their entirety (this will necessarily include additional costs incurred in response to the Covid-19 emergency e.g. extra deep cleaning, signage, PPE and IT costs to facilitate homeworking).

There was a funding gap from the first tranche of emergency support and this was earlier estimated at £1.8m, for which Nexus has asked DfT for an explanation and for it to be recovered.

The new funding package is 'subject to a four weekly review where funding could go up or down depending on the outturn service levels, revenues and costs'.

Social distancing measures mean that it will be a long time before Metro returns to normal passenger numbers. Nexus will therefore continue its dialogue with civil servants about the need for additional financial support for the remainder of the year at the very least.

The outlook for future demand is also unclear. Nexus has undertaken research amongst its insight panel, which suggests 24% of people currently expect to use public transport less when things return to normal, and 45% expect to work from home more. If this is accurate this would represent further damage to the incomes of operators in the longer term.

It is also important to note that we still await confirmation from the government of long-term capital and revenue funding for the Metro; we had understood that this was imminent before the Coronavirus crisis hit, and it is all the more important now.

Bus

Buses are essential to the North East's economy. In our region in 2018/19, there were 162.4 million bus passenger journeys, making buses our most-used form of public transport and our region the 4th highest in England for bus use per household.

Local authorities in the North East have budgeted to spend around £70m on bus services and concessions during 2020/21, which equates to £1.35m per week.

However, Covid-19 has had a catastrophic effect on bus use, passenger numbers in our region down were by 90% in April. Bus operators have reported farebox revenues collected from passengers in the North East have collapsed to around 5-10% of their normal levels.

The collapse in bus ridership for all other journey purposes during the lockdown phase has required urgent action in the form of a financial rescue to keep bus companies afloat.

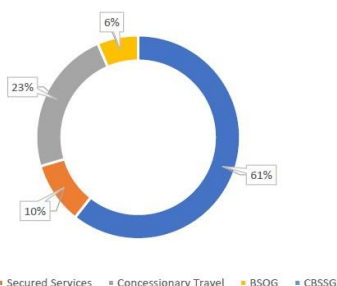
The government has requested that local authorities maintain their payments to bus operators at pre-pandemic levels. This means payments for concessionary travel reimbursements are being maintained, even though the actual number of concessionary travel passholders is a tiny fraction of what it was. And payments for secured bus services are being maintained, even though local authorities have agreed that some of those bus services should not be operated.

Central government has maintained Bus Service Operator Grant (BSOG) at pre-pandemic levels and implemented an emergency funding stream.

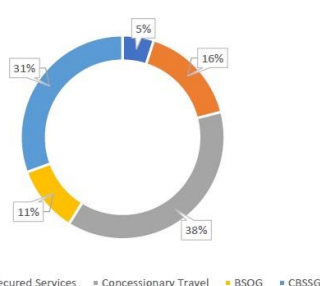
This has resulted in buses being almost entirely publicly funding, with local government providing a major share but with almost no control over services.

Bus industry revenues before and during lockdown

- Prior to COVID19 lockdown:
 - 61% from passenger fares
 - 33% from local authorities
 - 6% from central Government



- During COVID19 lockdown:
 - 5% from passenger fares
 - 54% from local authorities
 - 42% from central Government



While local authorities have agreed to make these payments in the short term, subject to some conditions, this is not a position that is sustainable in the long term. Local authorities are mandated to spend money to deliver service outcomes, not to simply maintain the finances of private businesses.

Social Distancing

Social distancing presents a significant challenge to public transport. Keeping passengers 2 metres apart reduces the capacity of vehicles and of spaces such as interchanges and station platforms. Put simply, this reduction of network capacity significantly reduces revenues placing financial pressure on operators.

- Floor markings, passenger information and station layouts have been amended accordingly.
- General observations from staff are that the social distancing is being kept to in most cases, but less than 20% of travellers are wearing face coverings
- The need to leave a 2m gap between people limits capacity on buses and Metro to no more than 20% of pre-Covid levels on each vehicle, so potentially only 100k passengers each day, compared with 500k pre-covid and we are concerned about where the surplus trips will go.
- We are concerned that our roads will rapidly become gridlocked. Air quality and carbon emissions will worsen, productivity will be reduced, and road-related deaths and injuries will grow.

Where will the 400k daily displaced passengers go?

- Based on rough assumptions it is possible that 25% of previous public transport trips will convert to homeworking, 25% won't travel at all (e.g. through unemployment or reduced desire to travel), and 25% may walk or cycle instead
- This would generate an extra 100k car trips across the region each day, mostly to and from town and city centres. By way of comparison, pre-Covid there were approx. 70k trips across the Tyne Bridge each day.
- This is likely to affect city centres disproportionately given their reliance on public transport
- It is unclear at this point whether car travel in general will reduce because of reduced economic activity or increased homeworking.

The Tyne Tunnels

The Tyne Tunnels are owned by the Tyne & Wear local authorities and are operated by TT2 Ltd as Concessionaire under a contract which runs to 2037. Last year 55,000 customers used the Tunnels each day.

Traffic flows through the tunnels have been greatly affected by Covid-19 measures and traffic is down by approximately 70% on normal expected traffic. This has had a profound effect on toll revenues that are used to service debts incurred in building the second road tunnel.

TT2 Ltd has worked tirelessly during March and April to keep the tunnels open for key workers and emergency services during lockdown. The two traffic tunnels and the pedestrian and cycle tunnels have remained fully operational throughout the lockdown period despite staff shortages, social distancing and severely depleted income from tolling.

TT2 Ltd has made a formal request asking for 'supplier relief' requesting shadow toll payments be made at normal levels for April, May and June which would equate to payments of approximately £4.8 million. A request has been made to the DfT to provide access to financial support for TT2 Ltd, in the same way that other sectors have been supported through this period. The Combined Authorities support the request and urge the government to provide this assistance.

The prospects for the long term economic revival of the Tyne Tunnels look more promising than for public transport, as traffic flows are likely to increase later this year. However, the Combined Authorities are concerned about the drastic reduction in TT2's income which is not only causing significant short-term issues, but also jeopardises investment in longer-term future work programmes, such as the Tyne Pass free-flow project. This project was planned for 2021 and was intended to bring tangible benefits for the region as it would increase tunnel capacity, cut journey times, significantly reduce emissions and create 80 new local jobs in 2021.

Difference of government approach to funding

We would also like to highlight the difference of government approach to funding for rail, bus and local government managed systems. In the case of rail, almost immediate decision to switch to management contracts with no risk to private sector. For the Bus industry, the government made a

fairly quick decision to provide public support to private sector leading to very limited risk to private sector. For Light rail/metro – there was a protracted decision-making during which systems had to operate at risk.

The Future

Despite government advice to avoid public transport use as people return to their place of work, in our region, the public transport network will continue to be the only option for many people to get around given that car ownership is lower than anywhere in else in England other than London. As we start to look ahead to our local economy restarting, it is impossible to overstate the importance of having frequent and reliable public transport services to get people around. Without it, those who do not drive will lose access to employment and vital services, and those who can drive will of course do so. We know that the current Metro and Local rail network already delivers an economic value per passenger of £8.50.

We believe that a new model for public transport is urgently needed in the North East. Local transport authorities should be responsible for commissioning and, where necessary, procuring all of the transport that their communities and businesses need. This includes buses, the Tyne and Wear Metro, the Shields Ferry, and local rail services provided by Northern Rail which of course is already back under central government control but has limited input from our local decision-makers. This model must be supported by a long-term devolved funding settlement from central government that is sufficient to restore transport to pre-crisis levels as a minimum.

Summary of key asks to government

- The creation of adequate devolved long-term funding streams for all public transport provision in our area;
- A commitment to change legislation so that we have the powers we need to deliver integrated and effective local transport in the North East through local government bodies;
- A recognition that social distancing breaks the traditional public transport model, and for as long as it is in place, a new model is required which will require extra funding and a lot of thought
- In order to give confidence to the public we need the government to have a major push on the use of face coverings on public transport
- The government needs to reinforce messaging to employers that we need to spread the peak over the day using flexible working hours and staggered shifts
- We need major and rapid investment in facilities for walking and cycling. Some announcements on funding have been made but there is no clarity on them as yet.
- The 54% of bus funding provided by local government is a new cost (around £70m annually across the NE); this is neither fair nor sustainable given the many pressures on local government created by the Covid crisis. We need a new model for bus funding.
- The support of Ministers and officials in the Department for Transport, HM Treasury, the Ministry of Housing, Communities and Local Government, and any other part of government that can assist.



North East Joint Transport Committee Overview and Scrutiny Committee

Date: 25 June 2020

Subject: North East Transport Plan Update

Report of: Managing Director, Transport North East

Type of Item Referral from North East Joint Transport Committee

Purpose of the report

The purpose of this report is to update members on the development of the North East Transport Plan and to note that the vision, objectives and principles remain unchanged. The report also provides members with an update on the KPIs.

At Joint Transport Committee (JTC) in November 2019, the vision, principles, and objectives for the North East Transport Plan were endorsed. The agreed vision is: ‘Moving to a green, healthy, dynamic and thriving North East.’

The development of the Plan will be guided by the following key principles:

- One, total network;
- Look to the future;
- A great experience;
- North East pride and passion; and
- Sound evidence and commitment to deliver for the region.

The following objectives set out what the Transport Plan aims to achieve:

- Carbon-neutral transport;
- Overcome inequality and grow our economy;
- Healthier North East;
- Appealing sustainable transport choices; and
- Safe, secure network.

At JTC in March 2020, members endorsed a set of Key Performance Indicators (KPIs) which will monitor performance against the Plan. Due to the pandemic, three of these indicators are performing positively at present.

The timescales for the development of the Plan are currently being revisited to enable the opportunities for transport to contribute to economic recovery to be fully explored.

Recommendations

The Overview and Scrutiny Committee is recommended to

- Note the contents of this report;
- Note that the current vision, objectives and principles which are driving the development of the Transport Plan remain unchanged; and
- Note the list of KPIs and JTC's agreement to preserve the benefits currently being delivered through the pandemic whilst addressing the problems which have arisen.

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
 - promote effective discussion and consider the information in the report
1. The impact the matter has on individuals in the community and across the North East Combined Authority
 2. Focus on the efficiency and effectiveness of the proposals, next steps and any potential changes
 3. Consideration to any risks that may occur
 4. Scrutiny focusing on any performance management or quality assurance

1. Background Information and current context

1.1 In November 2019, JTC endorsed the Plan’s vision, objectives and principles. This endorsement has enabled the Plan to begin to be developed and for the Plan to be based on clear evidence and data. The approved vision, principles and objectives are set out below

1.2

Vision	“Moving to a green, healthy, dynamic and thriving North East”
Principles	<ul style="list-style-type: none">• One total network• Look to the future• A great experience• North East pride and passion; and• Sound evidence and commitment to deliver for the region
Objectives	<ul style="list-style-type: none">• Carbon- neutral transport• Overcome inequality and grow our economy• Healthier North East• Appealing sustainable transport choices; and• Safe, secure network

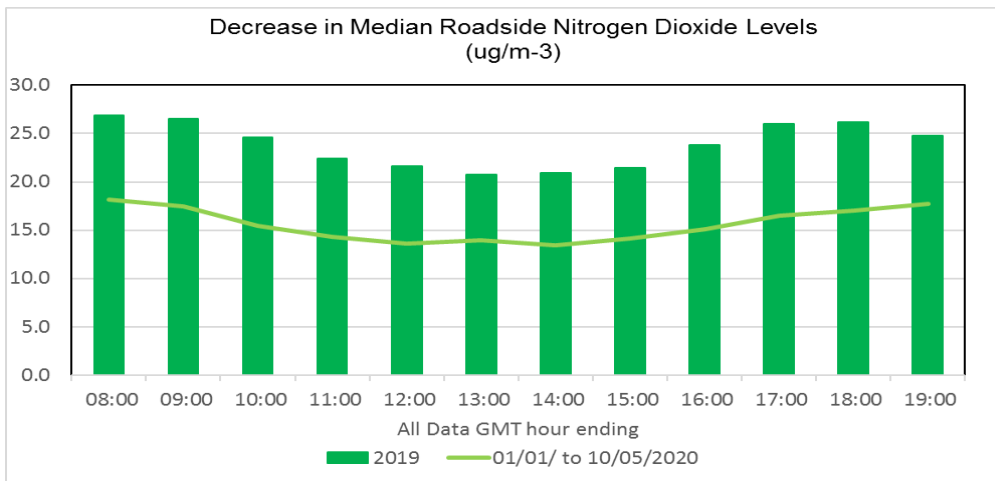
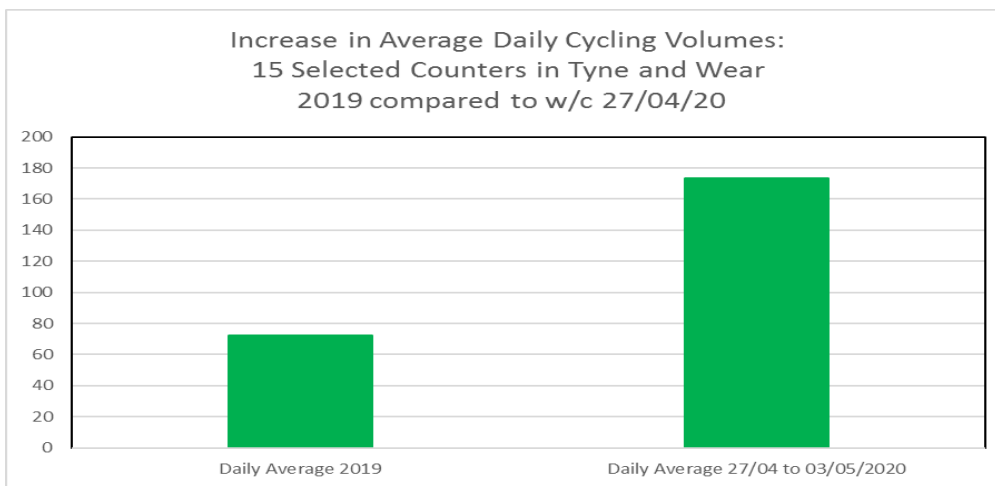
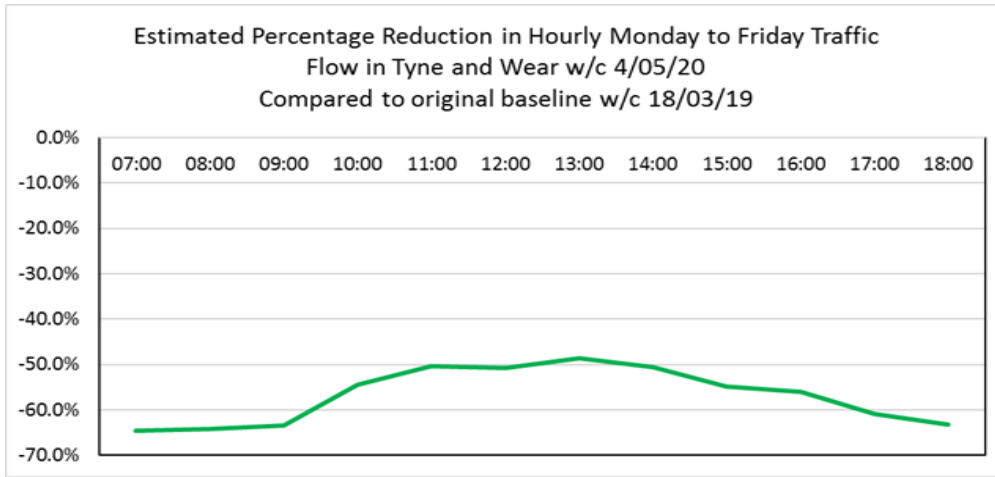
Key Performance Indicators

1.3 A series of technical KPIs which will be used to monitor the regions’ future performance against the Plan were discussed at JTC March 2020. Appendix A sets out the KPIs.

1.4
1.5 Road Network Efficiency, cycling numbers and Air Quality have been positively affected COVID-19 and the associated lockdown. This has resulted in the KPIs relating to these measures positively performing at present.

1.6 The graphs below highlight that since the onset of the lockdown, there has been a decrease in traffic flows, increased uptake of walking and cycling and significant reductions in Nitrogen Dioxide levels.

1.7



1.8 Timescales

1.9 Development of the North East Transport plan continues, recognising the need to adjust the narrative of the plan to reflect the current situation and the revised role the transport network will need to play as a key enabler to economic growth and recovery following the COVID-19 lockdown.

1.10 To enable the opportunities for transport to contribute to economic recovery to be fully explored, the timescales for the development of the Plan are currently being revisited

1.11 The Transport Strategy Unit is current working with a supplier to identify the best approach to carry out research with businesses, the results of which will be used to ensure synergy between business requirements and the Plan. Timescales for the Big Transport Conversation are also being considered

2. Key Issues and challenges

2.1 Timescales for the development of the Plan are being revisited to enable the opportunities for transport to contribute to economic recovery are full outlined.

3. Principles of decision making

3.1 This paper is for information only

4. Potential Impact on Objectives

4.1 Development of a high-quality sustainable transport network that provides excellent connectivity around the region will assist in meeting the objectives of the North of Tyne Combined Authority and North East Combined Authority, and their constituent members.

5. Financial and Other Resources Implications

5.1 There are no financial or other resource implications arising from the report.

6. Legal Implications

7.1 The Joint Transport Committee is legally responsible for preparing a single Transport Plan for the area of the two Combined Authorities, NECA and NoTCA. There are no other legal implications arising directly from the recommendations in this report.

7. Equality and Diversity

8.1 Reduction of social inequality is a key goal of the plan and improved alternatives to car use will benefit all members of the community, as well as helping to address poor air quality, the effects of which are most acute for those with existing health conditions.

8. Crime and Disorder.

8.1 One objective of the plan is to improve confidence in safety and security for those using all modes of transport in the region

9. Other Impacts

9.1 There are no further specific impacts

10. Next Steps

10.1 The Transport Strategy Unit will continue to develop the regional Transport Plan.

11. Appendices

11.1 Appendix A- Transport Plan KPIs

12. Background Papers

12.1 Agenda Item 7- North East Transport Plan, NEJTC, 19th November 2019

Agenda Item 7- North East Transport Plan Update, NEJTC, 17th March 2020

13. Contact Officers

13.1 Rachelle Forsyth-Ward, Strategic Transport Advisor, rachelle.forsyth-ward@northeastca.gov.uk

Kim Farrage, Senior Specialist Transport Planner, kim.farrage@northeastca.gov.uk

14. Sign off

- 14.1
- Head of Paid Service:
 - Monitoring Officer:
 - Chief Finance Officer:

15. Glossary

15.1 N/A

Appendix – Transport Plan Key Performance Indicators

	Objectives
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KPI	Carbon Neutral North East	Overcome inequality and strong economy	Healthier North East	Appealing sustainable transport choices	Safe, secure network
Transport emissions per capita (tonnes CO ₂)					
Ultra-low emission vehicles (ULEVs) as a proportion of all licensed vehicles at the end of the year					
The percentage of properties that can access 200,000 jobs within 60 minutes by public transport.					
Annual mean average NO2 (ug/m3) at all Automatic Urban and Rural Network sites in LA7					
Road network efficiency measure using the Teletrac Navman (Trafficmaster) dataset					
Trips per person per year by mode					
Infrastructure measures. (km of segregated cycle ways and public charging infrastructure)					
Total annual mileage Motor vehicle traffic (vehicle miles).					
Numbers killed and seriously injured, three year rolling average.					
Number of slight injuries, three year rolling average					
Perception surveys for modes					
The cost of travel by mode between selected origin-destination pairs					



North East Joint Transport Committee, Overview and Scrutiny Committee

Date: 25 June 2020

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 2020/21 for the Joint Transport Overview and Scrutiny Committee.

Recommendations

The Overview and Scrutiny Committee is recommended to:

- i. Comment on and agree 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 Committees 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 Authority – be that by the principal decision-making body or a committee 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 decisions '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	0
Request for General Exception	1

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/>.

In this instance the request for General Exception was for approval of the increase in Tyne Tunnel tolls for Class 3 vehicles from £3.60 to £3.70 to take effect from May 2020 and to the continuation of the 10% discount for permit holders. In May 2020, the Tyne and Wear Sub Committee agreed to defer this increase due to the impact of Covid-19. It is anticipated that this increase will now take place in August 2020.

Annual Work Programme – Update

- 1.7 The most recent version of the work programme 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, and items previously raised by Members. A link to the current work programme can be found [here](#).

Seeking assurance that processes are in place at local ports to address human trafficking

- 1.8 At the 7 November 2019 meeting of the JTC Overview and Scrutiny Committee concerns were raised about the preparedness of local ports to address the risk of human trafficking into the North East.
- 1.9 The Chair of the JTC Overview and Scrutiny committee sent a letter to the Chief Executives of the eight sea and airports in the region as well as Border Force asking for assurance that appropriate measures are in place to guard against and monitor human trafficking into or within the region.
- 1.10 We have received seven responses to the letter which outline the following common measures that are in place to mitigate the risk of human trafficking.
- 1.11
- All Ports and Harbours comply with the ISPS code (International Ship and Port Facility Security Code). ISPS is an essential maritime regulation for the safety and security of ships, ports, cargo and crew and is a security measure put in place in response to the 9/11 attacks by the IMO (International Maritime Organisation) as part of the Safety of Life at Sea (SOLAS) convention. The main objectives of the ISPS code are to detect security threats and implement security measures.
 - As part ISPS security measures to nationally set standards including perimeter

fencing, CCTV, 24 security-controlled access and vehicle inspections.

- Tackling Modern Slavery and Human Trafficking is now Priority A in Border Force's National Control Strategy (2019).
- All frontline Border Force Officers are trained in how to identify and deal with potential child victims of modern slavery and human trafficking as well as those who seek to exploit them.
- Border Force also has a network of specially trained Safeguarding and Modern Slavery (SAMS) teams based in all regions, including the North East. The SAMS officers are operational and are on hand to ensure children and vulnerable people, including potential victims of modern slavery, are dealt with effectively
- Ports maintain strong lines of communication with Northumbria Police, Border Force and the Gangmasters and Labour Abuse Authority to facilitate the sharing of appropriate intelligence relating to slavery and human trafficking.

Powers of the JTC

- 1.13 At the 7 November 2019 meeting of the JTC Overview and Scrutiny committee raised a question on the powers of the Joint Transport Committee post the 2019 national election. At this time there were media reports commenting that further devolution of transport powers such as bus and rail could be provided to mayoral combined authorities.
- 1.14 Since the election there has been continued debate on the question of devolution. No clear guidance or position has been expressed by Government at this point. As such the powers of the Joint Transport Committee remain the same. If there is any further developments in the devolution discussion or a clear Government position this information will be brought back to the Overview and Scrutiny committee.
- 1.15 The Bus Services Act 2017 provided Mayoral Combined Authorities with the powers to implement bus franchising in their area without recourse to the Quality Contracts Scheme Board. However, as the North of Tyne Combined Authority is required to exercise its transport powers through the JTC, this power is not available locally. Instead, along with other local transport authorities, the JTC is able to apply to Government for access to the same powers, where decisions will be taken on a case-by-case basis.
- 1.16 The draft work programme is included as appendix 1.
- This work programme reflects feedback from the Committee at the 19 December 2019 meeting, and discussions with the Chair and Vice-Chair. It should be considered a living document that can be added to as topics arise.
- 1.17 The Committee may wish to give consideration to adding to the work programme and consider the proposed timing the different scrutiny mechanisms when planning their work programme going forward.

2. Proposal

2.1 The Committee is asked to review and agree the suggested work programme.

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 2019/20.

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 2.

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 1 – JTC Forward Plan
Appendix 2 – Annual Work Programme

14. Background Papers

- 14.1 None.

15. Contact Officers

- 15.1 Gavin Armstrong, Policy and Scrutiny Officer
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- 15.2 Mike Barker
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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
June 2020**

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 Authority);
- 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 2020-2021

Meeting Date	Subject
25 June 2020	Transport Plan
25 June 2020	Seeking assurance that processes are in place at local ports to address human trafficking (Note – update included in this paper).
25 June 2020	Prepare a report (post-election) on the powers of the JTC – update included in this paper
TBC	IAMP
TBC	Studies for Metro Expansion Position Statement - bus services

It is further proposed that the work programme for 2020-21 focuses on the Transport Plan which is currently in development.

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