



Joint Transport Committee Tyne and Wear Sub-Committee

Thursday, 6th April, 2023 at 2.00 pm

Meeting to be held in a Lamesley Room - Civic Centre

AGENDA

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1. Apologies for Absence	
2. Declarations of Interest	
<p>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.</p>	
3. Minutes of the Meeting held on 12 January 2023	3 - 10
<p>The Committee is asked to approve the minutes of the meeting held on 12 January 2023 (attached).</p>	
4. Introduction of 21 and under fares on Metro, Shields Ferry and Secured Bus Services	11 - 14
5. Nexus Corporate Business Plan 2023-24 to 2027-28	15 - 38
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8. Tyne Tunnels Update	91 - 102

To All Members



JOINT TRANSPORT COMMITTEE, TYNE AND WEAR SUB-COMMITTEE

DRAFT MINUTES FOR APPROVAL

DATE: 12 January 2023

VENUE: LAMESLEY ROOM, GATESHEAD CIVIC CENTRE

Committee Members Present:

Councillor: C Johnson (Chair)

Councillors: J McElroy, P Dean, A Hay

In attendance:

Statutory Officer: L Keating (Legal Manager acting as Monitoring Officer – Transport)
E Goodman (Finance Manager – Transport North East)
T Hughes (Managing Director, Transport North East)

Officers: F Bootle, M Kearney, H Matthews, H Lewis, E Goodman and S Stewart

Others: P Smith (TT2 Ltd), A Flynn, Sonia Stewart

41. APOLOGIES FOR ABSENCE

Apologies were received from Councillor G Miller and Councillor J Byrne.

42. DECLARATIONS OF INTEREST

There were no declarations of interest.

43. MINUTES OF THE PREVIOUS MEETING HELD ON 15 November 2022

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

44. MATTERS ARISING

The Committee heard from the bus operators on the current position with regards to performance. The Committee were advised by all three operators that the industry has gone through a torrid 18 months with recruitment and retention being a real challenge. As we came out of the pandemic there was a perfect storm as the age range of drivers were in their early 50s and a lot of people deciding they could live off taking early retirement. The DVLA were on strike and getting licences through for new drivers has been a struggle. It takes 12 weeks to put a new driver on the road. It can take a long time to get the number back to strength. The operators are trying to build passenger confidence. The Committee were advised that things are starting to improve all of the time.

The Committee were advised that the operators are working with Nexus and Transport North East and have a couple of initiatives coming through. The Committee were also advised that the bus companies are working together and have kept Transport North East informed of the issues. It was noted that collectively the will is there and progress is being made.

The Committee requested that this item be placed on the agenda for a future meeting for a further update.

45. REVISION TO METRO, SHIELDS FERRY and SECURED BUS FARES APRIL 2023

The Committee received a report to advise of the fares proposal for 2023/24. The Committee were advised that this proposal is presented against a backdrop of high inflation, the energy crisis and a cost of living crisis, all of which are putting extraordinary pressures on Nexus' financial position. The proposal presented in this paper aims to respond to these competing demands and with an overall 7.5% fares increase for Metro, 7.8% for Shields Ferry and 5.4% for secured bus – below RPI inflation as at July 2022 (11.8%) – measures will include:

- A freeze in price for adult Pay As You Go (PAYG) travel on Metro with a smartcard or using an Android phone, for the second consecutive year and supported by a strong marketing campaign to move customers towards this easier and more flexible way to pay, alongside an increase of 50p (8.8 to 13.9% depending on zones) on equivalent paper tickets. This will increase the price differential between a paper ticket and PAYG on smartcard and mobile to up to £1.05 for a single journey and £1.35 per day.
- PAYG travel on Metro for young people aged 16 to 21 using Pop blue or Pop 19-21 smartcards will be frozen
- Weekly adult season tickets increase by 2-3%, below RPI inflation and supporting travel by regular customers who are unable to commit to longer term products. 4 Week and Annual season tickets will increase by 11%, roughly in line with RPI inflation

- A further freeze in Gold Card for older and disabled customers at £12 per year, and £24 for those not resident in Tyne and Wear.

The proposal above is designed to ensure that larger fare increases are specifically targeted in a way that ensures those customers affected have access to cheaper alternatives, either through the Pop smartcard or Android app.

The fares proposal helps Nexus to work towards balanced budget whilst offering customers affordable and sustainable ticketing options on Metro, Ferry and Secured bus.

Fares and ticketing proposals put forward as part of the Bus Service Improvement Plan (BSIP) are outside of the scope of this report and any further revisions to Metro, Ferry or Secured Bus fares required to reflect and complement the BSIP proposals will be considered separately.

RESOLVED: that the Tyne and Wear Sub-Committee

- (a) Approved the Metro, Shields Ferry and Secured Bus fares proposal to be implemented from 1 April 2023 which includes:
 - a. An overall increase in the weighted basket of fares of 7.5% for Metro, 7.8% for Shields Ferry and 5.4% for Secured Bus
 - b. Freezing adult Pay As You Go prices
 - c. Freezing Pay as You Go fares for young people aged 16-21
- (b) Noted that the fares review is estimated to generate increased revenue of £1.245m which is contained within the Nexus budget for 2023/24 being presented to the Jointed Transport Committee on 17 January 2023
- (c) Approved a freeze in the price of concessionary products (paragraph 2.6 refers)
- (d) Noted that alternative options had been explored as part of the fares review process

46. NEXUS CORPORATE PERFORMANCE

The Committee received an update on the performance of Nexus against its Corporate Business Plan for 2022/23. The report covered period 7 and 8 which encompasses performance during the period 18 September 2022 to 12 November 2022.

Between Periods 7 and 8, Metro patronage was 4.75 million which is 0.7% above the period target of 4.72 million. Metro Patronage for the year to date is 17.44 million which is 1.25% below target.

Metro fare and commercial revenue for the reporting period was £7.316m whilst the total fare and commercial revenue for the year to date is £26.675m. To the end of period 8, fare revenue is ahead of target and current indications are that it is recovering better than originally anticipated. However, we are mindful of the current economic climate and the Bank of England's forecast of recession, therefore

recovery remains fragile, and we will need to continue to closely monitor the position in the months ahead. It is worth noting that overall, revenue is still below pre-pandemic levels and that Nexus' cost base has risen since the pandemic and is under increasing pressure because of both the energy crisis and the significant increase in inflation this past year. The government has now announced an Energy Bill Relief Scheme to provide support on energy costs between 1 October 2022 and 31 March 2023 which is expected to offset £6.1m of the HV power overspend in year.

Metro punctuality in periods 7 and 8 was 77.8% which is 7.0% below the periodic target of 84.8% whilst the 13-period moving annual average (MAA) at the end of the Period 8 was 82.2% which is 5.0% below target.

Punctuality in Period 8 was particularly affected by Low Rail Adhesion (LRA) caused by autumn leaf fall. LRA is an industry wide issue with this year's autumn conditions proving to be particularly challenging across the national rail network. Nexus are taking a number of steps to reduce the impact of LRA on Metro punctuality including: additional coaching for Train Crew, enhanced levels of vegetation management and focussed use of our Rail Head Treatment Train.

Ferry patronage in Periods 7 and 8 was 52,807 which is 46.9% above the target of 35,947. For the year to date, ferry patronage is 281,358 which is 30.3% above target. Ferry fare revenue in Periods 7 and 8 was £60,274 which was 33.6% above the profiled budget of £45,108. Ferry fare revenue the year to date is £276,980 which is 14/0% above the budget of £243,064.

Due to external factors beyond Nexus' control Secured Bus Patronage figures are currently unavailable.

Secured Bus Revenue in periods 7 and 8 was £685,163 which was 191.2% better than the evenly profiled budget target of £235,266. For the year to date secured bus revenue is £1,848,735 which is 94% better than the evenly profiled budget target of £951,169. Revenue targets will be reviewed as part of the budget setting process for 2023/24.

The Committee were advised that on the 24 February the new depot will open and the new unit number 555003 is expected to arrive on 27 January.

RESOLVED: the Tyne and Wear Sub-Committee noted the information contained within the report.

47. NEXUS CORPORATE RISK REVIEW

The Committee received a report to update on the Nexus Corporate Risk Register for 2022/23 based on the approved Corporate Plan and demonstrates that these risks are being properly managed and controlled.

During December 2022, Nexus undertook a formal review of its risk register in line with the Corporate Plan for 2022/23.

There are currently three risks which are 'red', of these 2 risks are red because of funding uncertainties. These risks are:

- Long Term Funding for Metro
- North Shields Ferry Landing

Specifically, in relation to long term funding for Metro and efficiency of delivery of the capital programme, Nexus has received confirmation from the Department for Transport (DfT) that it will receive £30.2m of capital grant in 2022/23 along with £33.8m in capital grant funding for 2023/24 and 2024/25. Whilst this allows for some longer term planning it does not allow Nexus to complete its full essential renewals programme. The rising costs of energy and raw materials has also applied additional pressures on budgets.

The project to replace North Shields Ferry Landing is currently unfunded. Additional funding is being sought to progress the development of the project to be ready for future funding opportunities.

The final red risk is Metro Performance which is red as a result of recent disruptions to service in particular those caused by low rail adhesion (LRA).

In the current review, one risk has seen its score increase. Stagnant bus patronage coupled with increased levels of cancellations and driver shortages has seen the likelihood of the Bus Patronage risk increase.

Concern was expressed with the potential that the Shields Ferry could cease to exist by 2025. It was noted that it is important this service continues to be funded.

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

48. NEXUS PEOPLE AND CULTURE STRATEGY

The Committee received a report to provide them with an overview of the Nexus' People and Culture Strategy. This is a brand new strategy for Nexus, and one that has been shaped and developed by Nexus people working in the

organisation through a series of engagement activities. People are at the heart of everything Nexus does, and this strategy provide the priorities and actions required to make Nexus a better place to work for everyone. The Strategy has been shaped around the 'Employee Life Cycle' of employer branding, recruitment and selection, induction and onboarding, career development and moving on. In addition, the working environment and diversity and inclusion have also shaped the development of the strategy. A series of pledges have been developed in each theme which sets out what Nexus will do to help develop our people.

We have engaged with stakeholders including schools and colleges as there has been a challenge with engagement previously.

It is anticipated that the strategy will be an evolving document. Work has also been ongoing with regards to recruiting those undertaking T Levels and a review of the work experience processes. Trials of CVs is another area being used to streamline recruitment processes.

A new induction programme is being developed alongside succession planning. It is a relatively new strategy but progress will be measured against a set of KPIs and further updates will be brought to the Committee.

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

49. NEXUS DIVERSITY AND INCLUSION STRATEGY

The Committee received a report to provide an update on the Nexus Diversity and Inclusion Strategy. The Committee were advised that this new strategy will allow Nexus to promote, support and enhance both diverse and inclusive public transport for our customers, and diverse and inclusive workspaces for our colleagues. Through a more developed and collaborative approach given to diversity and inclusion, we intend to make a positive shift in the Nexus culture overall, across our organisation. Nexus recognises that inclusion that is enhanced by diversity should be implicit within our values and mission we have as an organisation and that it can help Nexus fulfil its daily activity more effectively.

Through the development of the strategy there is a commitment to achieve the following:

- A workforce that is reflective of diversity across Tyne and Wear
- Providing accessible and welcoming public transport
- A diverse and inclusive internal culture

- Being socially responsible as a large regional employer and service provider

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

50. METRO FLOW UPDATE

The Committee received a Metro Flow Update. The Committee were advised that this was a £104m project and it was established pre-covid, before a war in the Ukraine and when inflation wasn't at 11%.

Whilst there was an over-run of 10days the project was delivered on budget. The alternative bus service continued to be delivered until the project was completed. Over 2000 people worked on the scheme and it received a 45/45 Considerate Constructors score.

There were some challenges during the project including 59 Freight Trains which required a 3 hour stand down of 300 plus operatives plus plant each time they came through the site. There were also some Network Rail strikes to contend with and the signalling systems meant that some components were obsolete and re-designs and modifications were required. Delays in the component supply chains also meant some components arrived late.

The site was formally handed back to Nexus on 10 December 2022 with testing over the following few days and services re-commencing on Wednesday 14 December.

It was noted that a massive well done was in order, as a delay of 10 days was good considering people were thinking it would go on a lot longer and that the project was delivered on budget and before Christmas was excellent.

It was suggested that hopefully devolution will help with the skills shortage and it needs to be noted that if we are given funding we are able to deliver on time and on budget.

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

51. TYNE TUNNELS UPDATE

The Committee received a report providing information the management and operation of the traffic tunnels and the management and operation of the Tyne Pedestrian and Cyclist Tunnels.

The report provided information on traffic levels at the Tyne Tunnels which are significantly higher than in previous years with over 1.5 million vehicle journeys through the tunnels during November 2022. Initial analysis suggests that some traffic may have been displaced from other Tyne crossings such as the A1 due to road works, but it is likely that the main reason for higher traffic levels is the faster journey times on the A19 due to the barrierless system at the Tyne Tunnels and other A19 improvements such as Testos and Silverlink which also have improved journey times.

The rate of successful toll payments is at 97.16% at November 2022. This is the highest compliance level since the Tyne Pass system came into operation and shows a promising trend of fewer tunnel users failing to pay their toll on time and being affected by enforcement.

The Committee were informed that there have been some delays with the inclined lift. Work is starting again and the testing and certification is programmed for May/June time. The Committee will be kept informed as progress is made.

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

52. DATE OF NEXT MEETING

The next meeting will take place on Thursday 6 April 2023 at 2pm.

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

Date: 6 April 2023

Subject: Introduction of £1 21 and under fares on Metro, Shields Ferry and Secured Bus from May 2023

Report of: Managing Director, Nexus

Executive Summary

With the introduction of the Bus Service Improvement Plan (BSIP), Nexus plans to match the 21 and under pricing that bus operators are set to introduce. Nexus will use this opportunity to simplify its product range aimed at young people aged 21 and under.

It is planned to expand the Pop Blue smartcard from its current age range of 16 to 18 to anyone aged 21 and under. Pricing will be revised to a simplified £1 single and £2.20 day cap. This will result in the removal from sale of the Pop 19-21 smartcard.

The Junior Blue smartcard which is aimed at those aged 16 and under will continue to be offered, owing to the lower price point offered for a day's travel.

The changes proposed on Metro will be mirrored on Shields Ferry and the limited number of bus services (secured bus services) where Nexus takes the revenue risk and sets fares.

By ensuring services under Nexus' control are brought into alignment with the improvements bus services will see as a result of the BSIP, Nexus is ensuring that the overall public transport offering is as attractive as possible to young people, helping to ensure a more sustainable future for the region.






Recommendations

The North East Joint Transport Committee, Tyne and Wear Sub-Committee is recommended to;

- I. Approve the withdrawal from sale of the Pop 19-21 card in lieu of an expanded Pop Blue card, offered to those aged 21 and under from 7th May 2023.
- II. Approve the introduction of a £1 single fare for all those aged 21 and under across Metro, Shields Ferry and secured bus services from 7th May 2023.

1. Background Information

- 1.1 The region's Enhanced Partnership for bus (EP) incorporates a number of fare initiatives to encourage young people to make sustainable journeys. In order for these proposals to have the greatest impact, Nexus proposes to ensure fares on the Tyne and Wear Metro align with those in the BSIP to provide a simplified offer for young people. 6.4 Million customers a year already transfer between bus and Metro and promoting the two modes in partnership can benefit both.
- 1.2 The Enhanced Partnership establishes a new £1 single fare for those aged 21 and under on all bus services. In order to align Metro to this Nexus proposes the following simplification in fares, which will also apply to the Shields Ferry where applicable:

<i>Current offering to young people aged 21 and under</i>			<i>Offering from 1st April 2023</i>		
Product	Card design	Prices	Product	Card design	Prices
Junior blue (Under 16)		£1.00 Single £1.70 Daily Cap	Junior blue (Under 16)		£1.00 Single £1.70 Daily Cap
Pop blue (16-18)		£1.20 Single £2.20 Daily Cap			
Pop 19-21		£1.10 to £2.30 singles depending on zone £1.90 to £3.40 Daily Cap depending on zone	Pop Blue (21 and under)		£1.00 Single £2.20 Daily Cap

- 1.3 Due to the lower day cap price of Junior Blue which is aimed at under 16s, Junior Blue will continue to be offered. Existing Pop 19-21 users will not need to change their smartcards and tariffs will be updated to ensure they benefit from the new offering from 7th May 2023.
- 1.4 This proposal will expose Nexus to the risk of losing revenue relative to the budget and medium term financial plan the JTC approved in January 2023 if the reduction in price is not compensated for by an increase in people travelling. Nexus is unable to claim reimbursement for reducing Metro fares in the way that commercial bus companies are able to under Enhanced Partnership agreements.

1.5 Nexus also sets fares on a limited number of bus services where it takes the revenue risk, recouping part of the cost of paying a contractor to operate the route. On these services Nexus, by joining the Enhanced Partnership, agrees to conform with the fares set out within it and be compensated in cases where its commercial fare would have been higher. This effects the current under 19 fare of £1.20 which will reduce to £1 and be extended to those aged 21 and under.

2. Reasons for the Proposals

2.1 The proposals contained in this report are designed to ensure Metro responds to the developments associated with the BSIP.

3. Alternative Options Available

3.1 Nexus could do nothing in response to the developments associated with the BSIP. This would result in a less consistent ticket offer for young people aged 21 and under but would reduce the risk associated with Nexus' budget.

4. Next Steps and Timetable for Implementation

4.1 Should the Sub-Committee approve the proposed fare changes set out in this report, the new fare levels will come into force on 7th May 2023.

5. Potential Impact on Objectives

5.1 The proposals in this report are intended to ensure young people have access to a simplified and better value fares package, encouraging more travel across all modes of public transport.

6. Financial and Other Resources Implications

6.1 Nexus' Director of Finance and Resources confirms that the impact of the proposals contained within this report are estimated to cost between £0.070m and £0.090m per annum in lost revenue for Nexus.

7. Legal Implications

7.1 There are no legal implications arising from this report.

8. Key Risks

8.1 This proposal will expose Nexus to the risk of losing revenue relative to the budget and medium-term financial plan the JTC approved in January 2023 if the reduction in price is not compensated for by an increase in people travelling.

9. Equality and Diversity

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

10. Crime and Disorder

10.1 There are no specific crime and disorder considerations arising from this report.

11. Consultation/Engagement

11.1 There are no specific consultation / community engagement considerations.

12. Other Impact of the Proposals

12.1 There are no other direct environmental or economic considerations arising from this report.

13. Appendices

13.1 None

14. Background Papers

14.1 There are no specific background documents for consideration linked to this report.

15. Contact Officers

15.1 Huw Lewis, Customer Services Director, Nexus
Email: Huw.Lewis@nexus.org.uk

16. Sign off

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

17. Glossary

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

Date: 6th April 2023

Subject: Nexus Corporate Business Plan 2023/24 – 2027/28

Report of: Managing Director, Nexus

Executive Summary

The Nexus Corporate Business Plan for 2023/24 – 2027/28 provides the framework for Nexus' delivery up until 2027/28, it sets out the main actions Nexus will take and the indicators by which success will be measured. The Corporate Business Plan is a rolling five-year programme, that will be reviewed on an annual basis.

Many of our long-term plans are dependant on securing funding from external sources whilst delivery of the Corporate Business Plan is also dependant delivering on our medium term financial plan.

The Corporate Business Plan is built around delivering our vision of:

Our vision for 2025

Our Vision for the future of Nexus as the public body which can deliver this ambitious plan is built on five core principles



Along with our mission:

‘Making public transport great for our environment, economy and communities’

This is articulated through five themes:

- Safety without compromise
- Our People
- Assets and Technology
- Sustainability
- Customer Experience

The themes are underpinned by 13 Key Performance Indicators:

- Number of RIDDOR reportable accidents
- Number of assaults to staff
- Metro punctuality
- Metro service reliability (% of scheduled KM operated)
- Fleet reliability
- Customer perception of safety and security
- Customer satisfaction
- Public transport patronage
- Satisfaction with public transport facilities
- Asset reliability
- Carbon footprint
- Employee engagement
- Diversity

The Corporate Business Plan will direct Nexus’ actions over the 2023/24 and set the framework to achieve our vision for 2027/28.

The Regional Transport Plan has provided the context for Nexus’ Corporate Business plan since 2021-22. Our Corporate Business Plan directly supports the objectives of the regional plan.

Transport Plan Objectives	Vision	KPIs
Carbon Neutral Transport	<ul style="list-style-type: none"> • Sustainability 	<ul style="list-style-type: none"> • Carbon footprint
Healthier North East	<ul style="list-style-type: none"> • Customer Experience 	<ul style="list-style-type: none"> • Public transport patronage
Overcoming inequality and grow our economy	<ul style="list-style-type: none"> • Our People • Assets and Technology 	<ul style="list-style-type: none"> • Public transport patronage • Employee engagement • Diversity
Appealing sustainable transport choices	<ul style="list-style-type: none"> • Customer experience • Safety without compromise 	<ul style="list-style-type: none"> • Metro punctuality and reliability • Fleet reliability

	<ul style="list-style-type: none"> • Sustainability • Our People 	<ul style="list-style-type: none"> • Customer satisfaction • Satisfaction with public transport facilities
Safe and secure network	<ul style="list-style-type: none"> • Safety without compromise 	<ul style="list-style-type: none"> • No. of RIDDOR reportable accidents • Customer perception of safety and security • Reliability of assets

The Corporate Business Plan will be monitored on a weekly basis by Nexus Senior Leadership Team and report to TWSC at each of its meetings.

Recommendations

The Tyne and Wear Sub-Committee approve the Nexus' Corporate Plan 2023-24 - 2027-28.

1. Background Information

- 1.1 The Nexus Corporate Business Plan for 2023/24 – 2027/28 sets out five themes, underpinned by 13 Key Performance Indicators (KPIs) which will direct our action over the course of the year. Service managers will set their departmental service plans and budgets in accordance with this plan.
- 1.2 The delivery of the plan will be monitored on a weekly basis by Nexus Senior Leadership Team to ensure progress and will report to TWSC at each of its meetings.
- 1.3 Target and actions set in the plan will be realistic but challenging to ensure continual improvement.
- 1.4 The first theme in the plan is **Safety without compromise**. As a public transport operator, the safety of our network, our customers and employees are of paramount importance and the plan sets the basis for building a public transport operation people feel safe to use.
- 1.5 We will continue to work towards reducing our dependence on lookout protection, embed Life Saving Rules and improve the safety of our stations.
- 1.6 We will ensure that we have the correct safety procedures in place for our new fleet and that our train crew are confident and competent to drive our new trains.
- 1.7 Anti-social behaviour is a major cause of concern for our passengers and a significant cost to the network. We will continue to develop our multi-agency approach to tackling anti-social behaviour as well using a data led approach to tackling fraudulent travel and ASB.
- 1.8 Our second theme is **Customer Experience**. Our plans will ensure our services meet the needs and expectations of our customers.
- 1.9 The introduction of our new fleet in 2023/24 will mark a transformative moment in Metro's history and we will continue to look for ways to improve our customer experience through the modernisation of stations and by securing funding for the replacement of the North Shields Ferry Landing.
- 1.10 We will continue improve our ticketing offer by increasing the number of mobile enabled tickets and by extending mobile ticketing to other mobile wallet providers.
- 1.11 We will work alongside bus service providers to develop a price capped multi-modal ticket to make it easier for customers to move between modes of transport.
- 1.12 Working with Transport North East (TNE) and bus operators we will deliver on the outcomes identified in the Bus Services Improvement Plan (BSIP) to enhance bus services in the region, and enter a new Enhanced Partnership to sustain and improve services

- 1.13 Our third theme is **Assets and Technology**; we will continue to invest in our physical assets to improve the reliability of public transport including delivering another year of essential renewals for the Metro infrastructure whilst also looking to secure funding to renew other assets.
- 1.14 We will continue to develop our business case to replace our signalling system this would represent one of the largest infrastructure projects in Nexus' history.
- 1.15 We will continue to develop our ICT to ensure our assets are fit for purpose, meet the needs of the business and ensure efficiency in our processes.
- 1.16 As part of our fourth theme, **Sustainability**, we will continue to deliver on the actions identified in our Energy and Environment Strategy whilst we will also look to identify partners to work with on the next stage of the CLEANFerry project.
- 1.17 We will continue to deliver on our medium term plan as well as working to secure long term funding certainty for our capital programme.
- 1.18 Our fifth theme is **Our People**, we will begin to implement our People and Culture Strategy, designed to build Nexus' reputation an employer of choice.
- 1.19 We will continue to develop a programme of career development and succession planning activities to ensure that we have the right skills to deliver on our priorities in future.
- 1.20 We will deliver our new employee engagement strategy, designed to ensure that our colleagues voices are heard across the business.
- 1.21 Once approved the Corporate Business Plan will be monitored on a regular basis by the Nexus Senior Leadership Team and progress reported to TWSC.

2. Proposals

- 2.1 It is proposed that the TWSC approves the Nexus Corporate Business Plan 2023/24 – 2027/28.

3. Reasons for the Proposals

- 3.1 The Nexus Corporate Business Plan will ensure that Nexus continues to deliver the transport priorities of the Joint Transport Committee
- 3.2 The Corporate Business Plan demonstrates how Nexus will deliver services funded by the levy.

4. Alternative Options Available

- 4.1 The sub-committee could instruct Nexus to adopt different priorities.

5. Next Steps and Timetable for Implementation

5.1 If the Corporate Business Plan is approved it will be implemented from the 1st of April 2023 and monitored on a weekly basis.

6. Potential Impact on Objectives

6.1 The Corporate Business Plan supports the delivery of objectives around growing the use of public transport and supporting economic regeneration of the region, helping to provide access to employment and leisure.

7. Financial and Other Resources Implications

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

8. Legal Implications

8.1 The Corporate Business Plan ensures Nexus meeting its legal obligations on service delivery.

9. Key Risks

9.1 The main risk is that unforeseen budgetary pressures emerge throughout the year which diverts resources to other priorities.

9.2 Finally, there is a risk the external funding bids are not successful and other funding opportunities do not materialise, impacting on the deliverability of some of the projects in the plans.

10. Equality and Diversity

10.1 All Nexus project and services are impact assessed to ensure that they are accessible, and the business plan is underpinned by the Nexus Equality and Diversity strategy.

11. Crime and Disorder

11.1 Nexus work closely with the Metro police unit and British Transport Police to ensure the safety of the network. The Corporate Business Plan will also be underpinned by the Personal Safety and Security strategy which is currently under development and due to be published in 2023/24.

12. Consultation/Engagement

12.1 The business plan has been developed through internal consultation with all relevant departments of Nexus and from Nexus' approved strategies.

12.2 The business plan is also underpinned by market research, customer feedback and best practice from elsewhere which can be applied to Nexus and Metro services.

12.3 TWSC was consulted on the draft business plan at a policy seminar in October 2022.

13. Other Impact of the Proposals

13.1 The Corporate Business Plan will put in place plans aimed at growing the use of public transport, helping to reduce car journeys on the local road network, helping to reduce congestion and improve air quality.

14. Appendices

14.1 **Appendix A:** Nexus Corporate Business Plan 2023/24 -2027/28

15. Background Papers

15.1 None

16. Contact Officers

16.1 Name: Martin Kearney
Designation: Managing Director
E-mail: martin.kearney@nexus.org.uk
Tel: 0191 203 3500

17. Sign off

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

18. Glossary

Nexus Corporate Plan

2023/24 – 2027/28



Our vision for 2025

Our Vision for the future of Nexus as the public body which can deliver the ambitious plan is built on five core principles



Nexus Mission

'Making public transport great for our environment, economy, and communities'

Executive Summary

Our Corporate Plan sets out the framework for what Nexus will deliver from 2023/24. The plan draws from the Regional Transport Plan, Nexus Corporate Strategies and is underpinned by market research, evidence and best practice.

To achieve our vision, our Corporate Plan is built around five themes:

- Safety without compromise
- Our People
- Assets and Technology
- Sustainability
- Customer Experience

Our performance is measured via thirteen Key Performance Indicators:

- Number of RIDDOR reportable accidents
- Number of assaults to staff
- Metro punctuality
- Metro service reliability
- Fleet reliability
- Customer perception of safety and security
- Customer satisfaction
- Public transport patronage
- Satisfaction with public transport facilities
- Asset reliability
- Carbon footprint
- Employee engagement
- Diversity

Nexus has established a long-term Corporate Plan which aligns with the regional planning framework that is set out in the North East Regional Transport Plan.

The Regional Transport Plan sets out five objectives for transport across the North East and Nexus is required by the Joint Transport Committee of the two Combined Authorities that Nexus serves, to deliver the policy and objectives set through their plan.

The objectives of the Regional Transport Plan are:

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

Our vision and KPIs which support our business plan assist in the delivery of the Transport Plan objectives

Transport Plan Objectives	Vision	KPIs
Carbon Neutral Transport	Sustainability	Carbon footprint
Healthier North East	Customer Experience	Public transport patronage
Overcoming inequality and grow our economy	Our People Assets and Technology	<ul style="list-style-type: none"> • Public transport patronage • Employee engagement • Diversity
Appealing sustainable transport choices	Customer experience Safety without compromise Sustainability Our People	<ul style="list-style-type: none"> • Metro punctuality and reliability • Fleet reliability • Customer satisfaction • Satisfaction with public transport facilities
Safe and secure network	Safety without compromise	<ul style="list-style-type: none"> • No. of RIDDOR reportable accidents • Customer perception of safety and security • Reliability of assets

Nexus is currently undertaking its budget setting process and our ability to deliver the Corporate Business Plan as set out, is contingent upon the availability of both capital and revenue funding.

The COVID-19 pandemic had a significant impact on Nexus' revenue budget and patronage on Metro has still not recovered to pre-pandemic levels. We anticipate that the emerging cost of living crisis will have further downwards pressure of customers willingness and ability to travel, particularly for leisure and retail journeys which have formed the backbone of Metro's recovery to date.

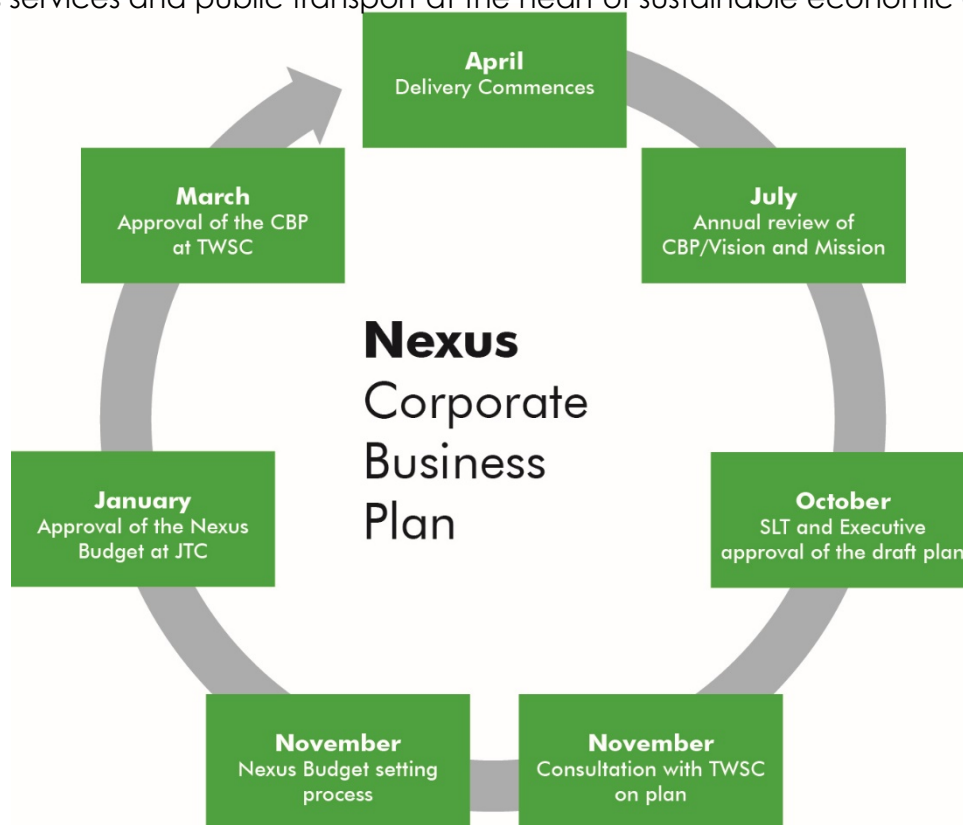
The cost-of-living crisis has also impacted on Nexus' costs, in particular we have seen significant increases in the costs of power, with energy bills more than doubling in 2022 and to remain high throughout the delivery of this plan. In addition, inflationary cost pressures on projects impacts the amount of work Nexus can undertake through our capital programme.

Nexus is lobbying the Government for additional support to offset the impacts of the increase in the cost of power, and we are also in discussions regarding the Tyne and Wear transport levy with the North East Joint Transport Committee and our local authority partners in order to manage our budget deficit and become financially sustainable over the medium term. In addition to this, we await the outcome of the Spending Review in order to secure our 'business as usual' capital and revenue grant funding for the Tyne and Wear Metro, from the Department for Transport.

In the next year we look forward to the first of our new fleet of trains entering into operational service which, along with the Metro Flow project completed in 2022, represent two exciting investments into our network which enable a step change in customer service, and will attract a new generation of customer to Metro.

We also hope to have secured funding and commenced work on the relocation of the North Shields Ferry landing. A project that will secure the future of the Ferry as well as supporting economic regeneration, tourism and leisure on both sides of the river.

Nexus will also play our role in delivering the Bus Service Improvement Plan for the region, setting bus services and public transport at the heart of sustainable economic growth.



Our Corporate Plan will align with the policies, aims and objectives of the Regional Transport Plan and will be supported by our internal business planning processes which complement and support the financial and performance reporting duties and responsibilities of Nexus to the Joint Transport Committee.

We are a public body and develop our plans by listening to local people and businesses. When we intend to make changes or deliver projects which impact on people, we seek to ensure there is appropriate engagement and that we are accountable of the feedback we receive.

Our strategies set out what we will deliver to meet these objectives and are developed using market research, evidence and best practice to help us to achieve our vision.

Theme 1: Safety without Compromise

Performance indicators

- Number of RIDDOR reportable accidents
- Number of assaults
- Customer perception of safety and security
- Signals passed at danger (SPADs)
- Employee lost time accidents
- Passenger accidents
- Delays due to anti-social behaviour
- Crimes reported by Nexus
- Fraud Rate

In 2023/24 we will:

A Harm Free Environment

The safety of colleagues and customers is Nexus' main priority, and we will continue our work to reduce the frequency and severity of accidents occurring on our network.

We will improve our track safety by continuing our work to reduce the dependence on lookout protection and develop our remote asset condition monitoring capacity.

We will continue develop Life Saving Rules and will review our processes for best practise against those of other operators.

We will begin to implement the outcomes of our station safety reviews to ensure that our stations meet the highest safety standards for both customers and colleagues.

Improve Operational Safety

We will ensure that our new fleet has the required safety procedures in place and that our Train Crew are confident and competent in driving the new trains through a combination of simulator and live training along with ongoing coaching and support from managers.

We will look at best practise on SPAD reduction from elsewhere in the industry to ensure that the measures we have in place to reduce the likelihood of SPADs occurring are comprehensive and effective.

Reduce anti-social behaviour

Anti-social behaviour, including vandalism, graffiti, ticketless travel and intimidating behaviour is a problem we will address across the Metro network and our wider public transport infrastructure. Our research tells us that anti-social behaviour and ticketless travel is a key priority for our customers and addressing this issue will assist in growing patronage, particularly in the evenings, through improved perceptions of safety and security.

We will continue our deployment of additional security staff to provide reassurance to passengers whilst implementing a data led approach to staff deployment in order to tackle ASB hotpots. We will seek to introduce re-deployable CCTV to our network allowing resources to be targeted at key locations.

We will continue to work with the Police and Crime Commissioner's office, Northumbria Police, British Transport Police and Local Authority colleagues to deliver a multi-agency approach to tackling ASB, hate crime and sexual harassment through combined resources.

By 2027/28:

Safety will continue to be at the heart of everything we do. We will have industry leading accident frequency rate with colleagues confident that the training provided, processes in place and support available, provides them with a safe working environment.

We will have fully embedded a safety culture, with a process of continuous improvement and will have begun the process to align our rulebook to that of other operators. We will have a well-established, remote asset condition monitoring regime allowing for targeted maintenance and inspection work thereby reducing the amount of look out protection required on the network.

We will have a well established SPAD prevention programme including training, monitoring and support for Train Crew.

We will continue to tackle anti-social behaviour through enhanced CCTV on both trains and stations which feed live through to the Control Room and an increased staff presence at our stations and on our trains. We will also have sought funding to introduce additional gatelines across the network to reduce fraudulent travel and improve passenger perception of safety and security.

Theme 2: Customer Experience

Performance indicators

- Metro patronage
- Metro punctuality
- Metro reliability
- Metro customer satisfaction
- Net promoter score
- Satisfaction with the range of tickets
- Satisfaction with the cost of tickets
- Satisfaction with information
- Subsidy per Secured Bus Passenger
- Satisfaction with bus information at stops and stations
- Ferry customer satisfaction
- Ferry patronage
- Customer complaints
- Public transport percentage of total journeys made
- Take up of Pay as You Go (PAYG)

In 2023/24 we will:

Invest in our infrastructure

We expect our first new train to enter into passenger service in 2023, this will be a landmark moment in Metro's history, beginning the transition between the fleet which first entered service when Metro was introduced to a new generation of trains which serve the region for the next thirty years.

Work to modernise and improve a number of Metro stations including Byker, Whitley Bay and Cullercoats will begin whilst we will also continue to develop plans and seek funding to refurbish Monument, Gateshead and Regent Centre Metro Stations.

We will support the work looking at extensions to the Metro and local rail network being led by Transport North East (TNE).

Products, Payments and Information

Our ticketing offer will continue to modernise and reflect the demands and needs of our customers. We will enhance our POP brand through the development of additional mobile enabled tickets and extending mobile ticketing on to other mobile wallet providers whilst we will also begin to develop plans for account-based ticketing.

Through the Bus Services Improvement Partnership (BSIP), we will work in partnership with bus providers to deliver price capped multimodal ticketing making it easier for customer to move between modes of transport.

We will improve our real time information provision on both Bus and Metro to ensure that passengers are able to make informed decisions.

Our new ticket machines will be installed in our car parks which, along with safety improvements funded through Transforming Cities Fund, will enhance our customers experience in using our car parks, throughout 2023 we will promote our park and ride offer to grow patronage and help support reducing congestion and improving air quality in our urban centres.

An excellent customer experience

The completion of the Metro Flow project will allow for greater resilience in the Metro network, allowing for better recovery of delayed services and provide the opportunity for future service enhancements.

Working with TNE and bus operators we will deliver on the outcomes identified in the BSIP to enhance bus services in the region and enter a new Enhanced Partnership to sustain and improve services.

We will begin work towards achieving a 'Autism Friendly Award' and reinvigorate our dementia awareness training.

By 2027/28

The Tyne and Wear will be served by a high quality, reliable and integrated public transport network with the patronage growing across all modes. Customers will feel confident switching between modes of transport knowing that they the lowest available price through account-based ticketing and price capped multi modal ticketing as well as having access to accurate real time travel information.

We will seek funding to ensure that most used Metro and Bus stations, including Monument and Gateshead interchange, are modernised to a high standard whilst we will also improve the look and feel of our all of our stations.

Our new fleet will be fully embedded with a new more frequent timetable in operation, increasing capacity on the network.

The Shields Ferry will undergo the biggest transformation in a generation with the construction of a new Ferry landing on the North Shields Fish Quay, providing better links to bus services and the businesses in the area.

Theme 3: Assets and Technology

Performance indicators

- Assets in service
- Asset inspection and maintenance regime
- Digital connectivity across the network
- Time/Cost/Quality of the essential renewals programme
- Customer satisfaction with facilities
- Accessibility of facilities

In 2023/24:

Improve our physical assets

We will continue to deliver on our asset renewal programme whilst continuing to lobby for greater funding assurance to provide us with the ability to develop a long term fully funded programme of improvements for our network.

We will continue to develop remote asset condition monitoring to identify which of our assets need proactive attention to reduce failures and improve reliability.

We will continue in the development of our business case to replace our signalling system, ensuring that our physical assets keep pace with the performance improvements that will be delivered by our new fleet.

After starting our refurbishment process in 2022/23, we will complete planned half-life overhaul of a number of our lifts and escalators, extending their lifespan by a decade.

We will develop a plan and seek funding to refurbish any bus stops in the region which do not meet modern standards.

Technology

We continue to deliver on our ICT strategy to improve our internal processes, utilising modern ICT techniques to make our organisation as efficient as possible through better utilisation of Office 365 and the development of technology roadmaps.

We will begin working with the data provided by our new fleet to understand the potential improvements it could make to the service and customer experience.

We will begin to implement our 3 year cyber security plan with the aim of achieving 'Cyber Essentials' accreditation.

By 2027/28:

We will have secured funding for the replacement of our signalling system and will be in the process of delivering on the largest infrastructure project in Metro history.

We will have delivered on our customer connectivity project, providing good mobile phone reception across our network whilst our Cyber Security systems will have achieved Cyber Essentials accreditation.

Theme 4: Sustainability

Performance indicators

- Carbon footprint of Metro operations
- Energy consumption

In 2023/24:

Environmental

We will seek partners to work with on the next stage of the CLEANFerry project designed to improving the environmental performance of the Shields Ferry.

We will develop an Environment, Social, Governance Strategy establishing our corporate obligations and reaffirming commitments on Biodiversity, Climate Change, Climate Risk, and Carbon Reduction in line with our responsibilities as an organisation.

As part of our journey to improved environmental performance we will continue to deliver on our Environment and Sustainability strategy through: improved reporting of greenhouse gas emissions, the introduction of departmental sustainability competitions and introducing an environmental frameworks for our major projects.

We will continue to work with bus operators to increase the number of Electric, Euro 5 and Euro 6 buses on our routes, particularly in Clean Air Zones.

We will develop and implement plans to move our road fleet to Ultra Low Emissions Vehicles (ULEV).

Financial

Delivery on the Nexus Medium Term Financial Plan will continue whilst, we will continue to work with the Department for Transport and HM Treasury to secure long term certainty of funding for our capital programme across Metro, Ferry and Bus infrastructure.

We will work alongside bus operators to deliver on the agreements in the Bus Services Improvement Partnership.

As part of our Capital Projects pipeline we will continue to scan the horizon for suitable funding opportunities to deliver on our priorities.

Our commercial strategy will be refreshed to identify income generation opportunities for the organisation to help provide additional sustained sources of funding.

By 2027/28:

The launch of the new fleet will improve our energy consumption and the consequential carbon footprint of the Metro network. We will investigate and where possible invest in technologies which exploit this and the capabilities of the new fleet to further improve the environmental credentials of the system. We will work to ensure that we reduce the environmental impact of our buildings and other infrastructure. We will have established a system to understand the carbon impacts of all of our projects.

We will have a network of environmental champions in place within our organisation, ensuring the public transport we provide is as green as possible. We will have achieved awards and accreditation for our environmental programme and implemented a wider range of energy initiatives across our estate to improve our carbon footprint. We will embed environmental initiatives into our

We will have secured long term asset renewal funding for our network and will have utilised the performance improvements delivered by the new fleet and Metro Flow projects to increase patronage to above pre-pandemic levels.

Theme 5 : Our People

Performance indicators

- Employee engagement indicators
- Absence levels
- Workforce diversity
- Applicant diversity

In 2023/24:

A great place to work

We will begin implementing our People and Culture strategy, making improvements to our recruitment and talent attraction process to build Nexus' reputation as an employer of choice.

Work will continue to develop our onboarding and induction process, developing a standardised process so that all new recruits to our organisation will experience the same positive and supportive introduction to the business.

Following on from the success experienced attending events such as Pride UK, we will continue to support events and occasions which celebrate the diversity of our region.

We will embed diversity and inclusion within our business through the implementation of our Diversity and Inclusion strategy.

Developing our people

Our people are our biggest asset and as such it is important that we provide individuals with the support and skills they need to build their career through Nexus.

We will develop a programme of career development and succession planning activity to ensure that people have the opportunities to progress in their career within Nexus.

We will build on work to review our competency system to ensure that people have the correct skills in which to safely, efficiently and confidently carry out their roles.

The introduction of our new fleet will require our existing driving staff to be released from duty to be trained on the new equipment whilst also maintaining a consistent service for our passengers.

An engaged workforce

We want our people to be brand ambassadors for Nexus, proud of the work they do and the role that Nexus plays for the residents of Tyne and Wear. We will begin to develop the activities identified in our People and Culture strategy including continuing to develop our internal communications strategy, providing routes for colleagues to provide their ideas or concerns and ensuring that this feedback is acted upon.

We will continue to provide health and wellbeing advice and support within the workplace which will contribute to employee engagement, reduction in sickness absence and also ensure our employees are able to operate and perform at their potential.

By 2027/28:

We will be an organisation which achieves high satisfaction scores from its employees, which is reflected in high levels of customer satisfaction. We will have managers and leaders who are supported in their development with strong succession and development plans in place across the whole organisation. We will also have well established apprentice and graduate development schemes.

Our workforce will better represent the communities we serve, allowing us to better understand the needs of our customers.

Summary

With introduction of our new train fleet and by realising the benefits of Metro Flow, 2023/24 will begin one of the most transformative eras in Nexus' history. Our new fleet will improve customer experience and comfort, improve our environmental performance and, through enhanced on-board CCTV, improve our ability to tackle unwelcome behaviour. Metro Flow will provide additional capacity for customers on our network and will make our service more robust in times of disruption.

Beyond 2023/24, Nexus will continue to develop its ambitious plans to improve public transport in the region, developing plans for improving and renewing our infrastructure, developing plans for expanding our network and securing the long-term future of the Shields ferry.

We will continue to build on the environmental improvements delivered by our new fleet through a range of energy saving measures designed to reduce our carbon output and set out a pathway to 'net zero'. We will ensure that our services are seen as the sustainable travel choice for environmentally conscious individuals by improving our park and ride offer, EV charging facilities, improving interconnectivity between modes of transport and enhancing our cycle parking facilities.

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

Date: 6 April 2023
Subject: Nexus Corporate Performance Update
Report of: Managing Director, Nexus

Executive Summary

The purpose of this report is to provide an update on the performance of Nexus against its Corporate Business Plan for 2022/23. This report covers Periods 9, 10 and 11, which encompasses 13 November 2022 to 4 February 2023.

Between Periods 9 and 11, Metro patronage was 6.78m, which is 2.4% above the periodic target of 6.62 million. Metro Patronage for the year to date is 24.22m, which is 0.25% below the target of 24.28m.

Metro fare and commercial revenue for the reporting period was £10.374m whilst the total fare and commercial revenue for the year to date is £37.049m. To the end of Period 11, fare revenue is ahead of target (which was set based on 84% of pre-Covid levels) and continues to perform well. It is now expected that fare revenue will exceed 90% of pre-Covid levels across the year. It is worth noting that overall, revenue is still below pre-pandemic levels and that Nexus' cost base has risen since the pandemic and is under increasing pressure because of both the energy crisis and significant increase in inflation this past year. The government is providing support on energy costs through the Energy Bill Relief Scheme between 1 October 2022 and 31 March 2023, which is expected to offset £6.2m of the HV power overspend in the year.

Metro punctuality in Periods 9 to 11 averaged 71.2% which is 11.6% below the periodic target of 82.8%, whilst the 13-period moving annual average (MAA) at the end of Period 11 was 82.3%, which is 4.9% below target.

In Period 9, substantial water ingress resulted in a fire breaking out at a substation at Pallion. This left the substation severely damaged and as a result Network Rail were forced to suspend services between Park Lane and South Hylton whilst urgent repairs were carried out. This was coupled with a request from Network Rail to reduce frequency through Sunderland Station to a 24-minute service. Full services resumed between Park Lane and South Hylton in December.

In Period 10, heavy rain resulted in flooding at Sunderland Station which resulted in an additional service suspension between East Boldon and Sunderland Station for two days. This is linked to the construction work at the station and Network Rail are rectifying this once the building is watertight.

Additionally, throughout the reporting period, passengers travelling to and from Sunderland were affected by Network Rail industrial action which meant that no services operated between Pelaw and Sunderland on several occasions.

Extended periods of extremely cold weather in January impacted on our aging train fleet, which reduced the number of sets available for service.

We also encountered higher than normal sickness levels amongst train crew during the reporting period, reducing our available resources and requiring some services to be cancelled.

In Periods 10 and 11, Nexus experienced a number of instances of cable theft in the North Tyneside area which resulted in disruption for passengers whilst repair works were carried out. Nexus has introduced additional security into the affected area and is working closely with Northumbria Police to identify the perpetrators of these crimes.

During Period 11, the ongoing works to complete the move into the new depot at South Gosforth combined with the age of trains additionally impacted train availability, reducing the number of sets available for service. As a result, we have had to stop providing the extra peak services between Pelaw and Monkseaton in the traditional morning and evening rush hours. This has since helped to reduce the number of trains which break down in service each day, with the average gap between faults rising from 4,047km in period 10 to 4,696km by the end of period 11, and projected to rise further. We continue to work closely with our partners at Stadler to assist them in improving the fleet position and make more trains available as well as providing a reduced but more reliable timetable.

In February, the first train of the new fleet was delivered marking the beginning of the transition away from our ageing rolling stock.

Ferry patronage in Periods 9 to 11 was 53,327, which is 24.8% above the target of 42,726. For the year to date, ferry patronage is 334,685, which is 29.4% above target.

Ferry fare revenue in Periods 9 to 11 was £64,155, which is 14.0% above the profiled budget of £56,289. Ferry fare revenue for the year to date is £341,135, which is 13.9% above the budget of £299,352.

Secured Bus Patronage in Periods 9 to 11 was 1,698,387, which is 70.1% above the target for the reporting period.

Secured Bus revenue in Periods 9 to 11 was £454,720, which is 28.9% better than the evenly profiled budget target of £352,899. For the year to date, secured bus revenue is £2,303,455, which is 76.6% better than the evenly profiled budget target of £1,304,068. Revenue targets have been reviewed as part of the budget setting process for 2023/24.

Nexus' Gender Pay Gap report for the year ending 31 March 2022 showed that the mean gender pay gap in the organisation improved from 14.43% to 10.89%, a decrease of 3.54%.

Recommendations

The Tyne and Wear Sub-Committee is recommended to note Nexus' performance against its key priorities in its Corporate Plan for 2022/23, including Metro performance.

1. Background Information

- 1.1 The report provides summary information about Nexus' progress against its Corporate Plan (CP) targets and objectives for 2022/23
- 1.2 For 2022/23 the CP has five main themes and 14 key priority work-streams.
- 1.3 A summary of the RAG (Red/Amber/Green) status for each of these workstreams is outlined below:

Safety without Compromise	
Workstream	Status
Embed a 'Safety First' Culture	The 2022/23 Safety Plan is progressing to plan.
Improve Operational Safety	The 2022/23 SPAD (Signals passed at danger) reduction plan is being implemented.
Reduce anti-social behaviour	We have introduced additional security presence on the network and incidents of ASB are reducing.

Embed a 'Safety First' Culture

- 1.4 Delivery of the 2022/23 Safety Plan and Security Plan is progressing to plan.

Improve Operational Safety

- 1.5 Incidents of Signals Passed at Danger (SPADs) have risen in line with trends seen in the rest of the rail industry. As such, we have taken additional steps to reduce the likelihood of SPADs occurring, these include one to one SPAD briefings targeted at newly qualified drivers, SPAD awareness being built into our refresher training sessions and regular notices and digital information highlighting recent trends.
- 1.6 We have recently introduced an escalator and stairs poster safety campaign aimed at reducing customer accidents at stations, especially in the Central corridor. We will also be updating our station safety messaging to reflect these risks.

Reduce anti-social behaviour

- 1.7 In December, the Multi Agency Transport Team (MATT) entered into operation to engage with young people and deter ASB. Made up of colleagues from Local Authorities, Police, and Nexus, the team is currently in place in South Tyneside and Newcastle with operations in North Tyneside expected to begin shortly. The introduction of MATT has been well received by customers to date.

- 1.8 The MATT currently operates between 14:00 and 22:00 on Friday, Saturday, and Sunday nights and will operate 7 days a week during the school holidays.
- 1.9 We continue to deploy additional security staff across the network to deter anti-social behaviour and provide reassurance for customers. In addition to static site security at interchanges, this Security Team provides a security presence of up to 24 mobile security trained personnel at key times throughout each day, primarily on a late shift. Feedback from customers on this initiative continues to be well received.
- 1.10 The Nexus Customer Support Team is now operational on early and late shifts, this is likely to have a positive impact on fare evasion and anti-social behaviour.

Customer Experience	
Workstream	Status
Invest in our infrastructure	Work on our Fleet Replacement Programme and renewals work is progressing to plan.
Products and Payments	In January, Nexus introduced a £2 cap on all single journeys.
Customer Services	Patronage continues to perform well.

Invest in our infrastructure

- 1.11 Work on delivery of the new depot and train fleet is progressing well, although the ongoing impacts of recent global events on the supply chain/logistics represent a heightened risk in some areas, which requires careful management and ongoing monitoring by Stadler. Despite this, we have successfully completed Pre-Delivery Acceptance (Factory Acceptance) for Units 1 to 4, Unit 1 has been transferred to the Czech Republic for Dynamic testing on the test track, and Unit 3 arrived at Gosforth Depot in February 2023. The arrival of the first new Metro to the brand-new Depot at Gosforth represents an historical and momentous milestone achieved by Nexus and Stadler. The next key phase of the project is testing and commissioning, and the first train is planned to enter customer service in Autumn 2023.
- 1.12 In addition, work on the Metro Asset Renewal Plan is progressing well, including the completion of the Overhead Line renewal blockade through the Central Corridor in February 2023.

Products and Payments

- 1.13 In January 2023, Nexus implemented a £2 cap on all single journeys and a £4 daily cap for all Metro journeys. This offer, which is in place until April, is only available on Pop PAYG cards and is in line with a similar offer introduced by bus companies.
- 1.14 The £2 cap gives an adult with a Pop Smartcard savings of up to 38% on a single journey, with an all-zone single ticket currently costing £3.25 on Pop whilst the daily

cap on all-zone travel came down by 85p, from £4.85 currently. This special offer has proved a great success in encouraging people to transfer from paper tickets to cheaper PAYG fares. Just over 30% of adult single and day customers now use PAYG compared to 12% in January 2022.

- 1.15 The £2 cap on Metro is scheduled to end on 31 March, whilst the scheme has been continued on buses until June due to additional funding being provided by DfT. Metro customers who have transferred to PAYG will, however, continue to enjoy better value with fares set at April 2021 prices going forward.

Customer Services

- 1.16 Between Periods 9 and 11, Metro Patronage was 6.78m, which is 2.4% above the periodic target of 6.62 million. Metro Patronage for the year to date is 24.22m, which is 0.25% below target.
- 1.17 Metro punctuality in Periods 9 to 11 averaged 71.2% which is 11.6% below the average periodic target of 82.8%, whilst the 13-period moving annual average (MAA) at the end of Period 11 was 82.3%, which is 4.9% below target.
- 1.18 In Period 9, substantial water ingress resulted in a fire breaking out at a substation in Pallion. This left the substation severely damaged and as a result Network Rail were forced to suspend services between Park Lane and South Hylton whilst urgent repairs were carried out. This was coupled with a request from Network Rail to reduce service frequency through Sunderland Station to a 24-minute service. Full services resumed between Park Lane and South Hylton in December.
- 1.19 In Period 10, heavy rain resulted in flooding at Sunderland station which resulted in an additional service suspension between East Boldon and Sunderland station for two days. This is linked to the construction work at the station and Network Rail are rectifying this once the building is watertight.
- 1.20 Additionally, throughout the reporting period, passengers travelling to and from Sunderland were affected by Network Rail industrial action which meant that no services operated between Pelaw and Sunderland on several occasions.
- 1.21 Extended periods of extremely cold weather in January impacted on our aging train fleet, which reduced the number of sets available for service.
- 1.22 We also encountered higher than normal sickness levels amongst train crew during the reporting period, reducing our available resources and requiring some services to be cancelled.
- 1.23 In Periods 10 and 11, Nexus experienced a number of instances of cable theft in the North Tyneside area which resulted in disruption for passengers whilst repair works were carried out. Nexus has introduced additional security into the affected area and is working closely with Northumbria Police to identify the perpetrators of these crimes.

- 1.24 During Period 11, the ongoing works to complete the move into the new depot at South Gosforth combined with the age of trains additionally impacted train availability, reducing the number of sets available for service. As a result, we have had to stop providing the extra peak services between Pelaw and Monkseaton in the traditional morning and evening rush hours. This has since helped to reduce the number of trains which break down in service each day, with the average gap between faults rising from 4,047km in period 10 to 4,696km by the end of period 11, and projected to rise further. We continue to work closely with our partners at Stadler to assist them in improving the fleet position and make more trains available as well as providing a reduced but more reliable timetable.
- 1.25 In February, the first train of the new fleet was delivered marking the beginning of the transition away from our ageing rolling stock.
- 1.26 Ferry patronage in Periods 9 to 11 was 53,327, which is 24.8% above the target of 42,726. For the year to date, ferry patronage is 334,685, which is 29.4% above target.
- 1.27 Secured Bus Patronage in Periods 9 to 11 was 1,698,387, which is 70.1% above the target for the reporting period.

Assets and Technology	
Workstream	Status
Improve our physical assets	Our Metro Flow project was completed in Period 10.
Technology	Nexus is leading on a smart multi modal ticketing project.

Improve our physical assets

- 1.28 On 14th December, the Metro Flow project was completed allowing services to resume between Pelaw and South Shields following a 13-week closure. Metro's largest ever improvement project saw the removal of three sections of single-track between Pelaw and Bede Metro stations. The project will increase capacity on the network and allow Nexus to increase service frequency in the future.
- 1.29 Full fleet availability was met on 60.2% of occasions in Periods 9 to 11, this is 39.8% below target. For the year-to-date fleet availability has been met on 78.9% of occasions which is 21.1% below target.
- 1.30 Full fleet availability was particularly affected by the move to the new depot at South Gosforth during Period 11, which impacted on the number of sets available for

service. Nexus continues to work closely with Stadler to assist them in improving levels of fleet availability.

Technology

- 1.31 Nexus launched the new Pop app on 30th January, which allows customers to track Metros in real time, plan journeys, find out information such as how busy car parks and trains will be and speak to the Metro team. Real time Metro location updates have been made available to Apple customers for the first time, while customers with Android phones can also use the app to buy season tickets and touch in and out at stations.
- 1.32 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.

Sustainability	
Workstream	Status
Improve environmental performance	We have started to implement our Sustainability Strategy.
Manage our financial standing	Energy Bill Relief funding has been agreed by the government.

Improve environmental performance

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

Manage our financial standing

- 1.35 Metro fare and commercial revenue for the reporting period was £10.374m whilst the total fare and commercial revenue for the year to date is £37.049m. To the end of Period 11, fare revenue is ahead of target (which was set based on 84% of pre-Covid levels) and continues to perform well. It is now expected that fare revenue will exceed 90% of pre-Covid levels across the year. It is worth noting that overall, revenue is still below pre-pandemic levels and that Nexus’ cost base has risen since the pandemic and is under increasing pressure because of both the energy crisis and the significant increase in inflation this past year. The government is providing support on energy costs through the Energy Bill Relief Scheme between 1 October 2022 and 31 March 2023, which is expected to offset £6.2m of the HV overspend in the year.

- 1.36 Ferry fare revenue in Periods 9 to 11 was £64,155, which is 14.0% above the profiled budget of £56,289. Ferry fare revenue for the year to date is £341,135, which is 13.9% above the budget of £299,352.
- 1.37 Secured Bus revenue in Periods 9 to 11 was £454,720, which is 28.9% better than the evenly profiled budget target of £352,899. For the year to date secured bus revenue is £2,303,455, which is 76.6% better than the evenly profiled budget target of £1,304,068. Revenue targets have been reviewed as part of the budget setting process for 2023/24.

Transform our organisation to be agile, innovative and inclusive	
Workstream	Status
Represent the communities we serve	Delivery on our People and Culture strategy is progressing to plan.
Learning and Development	We have launched a new Critical Skills for Managers course.
Engagement	We are reviewing our approach to employee engagement.
Strategy	Work on a number of strategies is progressing to plan.

Represent the communities we serve

- 1.38 In Period 9, Nexus launched a new recruitment campaign designed to promote the range of career opportunities at Nexus. The campaign, which can be seen on television, social media, and on our trains and at stations, features existing Nexus colleagues.
- 1.39 Nexus' Gender Pay Gap report for the year ending 31 March 2022 showed that the mean gender pay gap in the organisation improved from 14.43% to 10.89%, a decrease of 3.54%.

Learning and Development

- 1.40 In January, Nexus launched a new Critical Skills for Managers course, designed to cover a wide range of skills essential for effectiveness as managers. It is expected that all managers in the organisation will complete this training in the near future.

Engagement

- 1.41 Our engagement process is being refreshed as part of the implementation of our People and Culture Strategy.

Strategy

- 1.42 Work on our Safety and Security, Ferry 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 direct financial implications arising from this report.

8. Legal Implications

- 8.1 There are no direct legal considerations arising from this performance monitoring update report.

9. Key Risks

- 9.1 There are no direct risk considerations arising directly from this report, though monitoring and reviewing performance information plays an important role in risk management, including the review of Nexus' corporate risk register.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

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

13. Other Impact of the Proposals

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

14. Appendices

14.1 None

15. Background Papers

15.1 Nexus Corporate Business Plan 2022/23 as considered and approved at the Sub-Committee's meeting in April 2022.

16. Contact Officers

16.1 Martin Kearney
Managing Director
Email martin.kearney@nexus.org.uk
Tel: 0191 2033500

17. Sign off

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

18. Glossary

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

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

Date: 6 April 2023
Subject: Nexus Corporate Risks 2023/24
Report of: Managing Director, Nexus

Executive Summary

The purpose of this report is to provide an update on the Nexus Corporate Risk Register for 2023/24 based on the approved Corporate Plan and demonstrates that these risks are being properly managed and controlled.

During March 2023, Nexus undertook a formal review of its risk register in line with the Corporate Plan for 2023/24.

A detailed explanation of the risks for 2023/24 is provided in the appendix including the current Red/Amber/Green (RAG) status, target RAG status, and the direction of travel, where applicable. Each risk has a detailed explanation on the nature of the risk, together with controls and milestones/next steps.

As part of our review for 2023/24, two risks have been removed from the Corporate Risk Register. These are:

- Delivery of Metro Flow, as this project has now been completed.
- Patronage Recovery, as this risk managed through a number of other Corporate Risks.

Two risks have additionally been merged into one risk:

- Frontline Services and Discretionary Travel Schemes – Metro Services.
- Frontline Services and Discretionary Travel Schemes – Non-Metro Services.

The Bus Patronage risk from the 2022/23 Corporate Risk Register has been renamed to The Future of the Bus Network to reflect broader pressures on the bus network.

There are currently 3 risks which are 'red'. Of these, 2 risks are red because of funding uncertainties. These risks are:

- Long Term Funding for Metro
- North Shields Ferry Landing

Specifically, in relation to long term funding for Metro and efficiency of delivery of the capital programme, Nexus has received confirmation that the regional devolution agreement provides revenue and capital grant funding for 2023/24 and 2024/25. Whilst this allows for some longer term planning it does not allow Nexus to complete its full essential renewals programme. The rising costs of energy and raw materials has also applied additional pressures on budgets.

The North Shields Ferry Landing risk is red since the project to replace the North Shields Ferry Landing is currently unfunded. Additional funding is being sought to progress the development of the project to be ready for future funding opportunities. A new landing is required by 2025 to ensure the longevity of the service. Following an unsuccessful Levelling Up Fund bid, the RAG Status for this risk has increased from 12 to 16, due to the increasing likelihood that the new landing will not be completed by 2025.

The final red risk is Metro Performance which is red as a result of recent disruptions to service including from fleet availability issues, cable theft, extreme weather, and issues on Network Rail infrastructure.

The Products and Payments Offer risk has improved in RAG status to Green, with the score decreasing from 9 to 6, as plans are in place to develop a range of ticketing improvements including EMV and expanding mobile products on to other mobile devices, reducing the likelihood of this risk occurring.

Recommendations

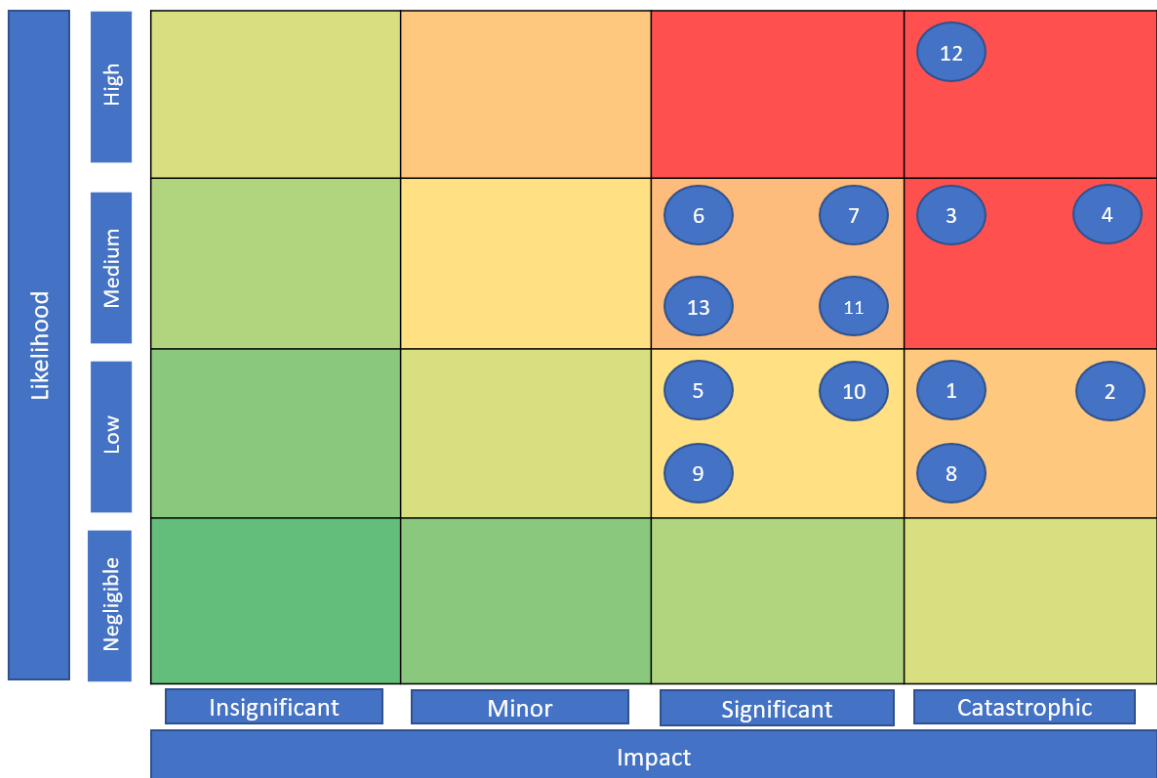
The North East Joint Transport Committee, Tyne and Wear Sub-Committee is recommended to receive and note this update on Nexus' Corporate Risk Register for 2023/24.

1. Background Information

- 1.1 As part of its governance framework Nexus maintains a Corporate Risk Register. Nexus defines its corporate risks as those which, if the risk occurred, could have adverse consequences for the achievement of the Corporate Business Plan.
- 1.2 The Corporate Plan for 2023/24 was provisionally approved by the Sub-Committee at its meeting in November 2022 and subsequently Nexus undertook a formal review of the risk register to ensure its alignment to the approved plan. The Sub-Committee receives an update on Nexus’ Corporate Risks at each of its meetings.

2. Proposals

- 2.1 Nexus has undertaken a formal review of the Corporate Risk Register for 2023/24. The chart below shows an overview of the likelihood and impact of each risk.



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

	Risk	Summary of Changes	RAG Status
1	Catastrophic security event	Controls updated. Next Steps/Milestones updated.	↔ (Stable)
2	Catastrophic infrastructure or operations event	Controls updated. Next Steps/Milestones updated.	↔ (Stable)
3	Metro Performance	Controls updated. Next Steps/Milestones updated.	↔ (Stable)
4	Long Term funding for Metro	Impact updated. Controls updated. Next Steps/Milestones updated.	↔ (Stable)
5	Frontline services and discretionary travel schemes	Risk Description, Impact, and Next Steps/Milestones updated to reflect merging of two risks.	↔ (Stable)

6	Delivery and introduction of the new train fleet.	<p>Controls updated.</p> <p>Next Steps/Milestones updated.</p> <p>Risk Description updated to reflect progress of the project.</p>	<p>↔</p> <p>(Stable)</p>
7	Efficiency of Delivery of the Capital Programme	<p>Impacts updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↔</p> <p>(Stable)</p>
8	Cybersecurity	<p>Controls updated.</p>	<p>↔</p> <p>(Stable)</p>
9	Products and Payments Offer	<p>Risk Likelihood decreased to reflect plans in place for ticketing improvements including EMV and mobile payments.</p> <p>Controls updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↑</p> <p>(Improving)</p>
10	Funding Bids	<p>Controls updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↔</p> <p>(Stable)</p>
11	Anti-Social Behaviour	<p>Controls updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↔</p> <p>(Stable)</p>

12	North Shields Ferry Landing	<p>Risk Likelihood increased to reflect funding uncertainties for the project.</p> <p>Risk impact updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↓ (Declining)</p>
13	Future of the Bus Network	<p>Risk description updated.</p> <p>Controls updated.</p> <p>Next Steps/Milestones updated.</p>	<p>↔ (Stable)</p>

2.3 Nexus will provide the Sub-Committee with an update on the position of the Corporate Risks at each of its meetings throughout 2023/24

3. Reasons for the Proposals

3.1 Risk management is an important aspect of overall performance management and reporting on Nexus' Corporate Risks complements the high-level summary of Nexus' performance, also presented to each scheduled meeting. Together these reports support the Sub-Committee in meeting its delegation under the JTC's Standing Orders (Part 4.1 refers) to monitor and oversee the performance of Nexus.

4. Alternative Options Available

4.1 The report is for noting: no alternative options are presented.

5. Next Steps and Timetable for Implementation

5.1 Nexus will continue to manage its CRR to record and monitor any changes and provide update reports to each subsequent scheduled meeting of the Sub-Committee.

6. Potential Impact on Objectives

6.1 Nexus' CRR will not impact directly on the objectives of the Authority's policies and priorities; however, Nexus' approach to risk management will support delivery of aims and ambitions by acknowledging the biggest threats and putting plans in place to manage and mitigate them.

7. Financial and Other Resources Implications

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

8. Legal Implications

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

9. Key Risks

9.1 The report identifies what are considered to be the key corporate risks to the achievement of Nexus' Corporate Plan for 2023/24.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

12.1 All risk owners and the respective actionees have been consulted in the preparation of this report.

13. Other Impact of the Proposals

13.1 There are no other impacts anticipated to arise from the proposal.

14. Appendices

14.1 Appendix 1 details each of Nexus' 13 risks for 2023/24
Appendix 2 shows the controlled and uncontrolled risk scores for each risk
Appendix 3 shows the risk matrix applied

15. Background Papers

15.1 Nexus' Corporate Plan 2023/24 as provisionally approved by the Sub-Committee at its meeting in November 2022.

16. Contact Officers

16.1 Martin Kearney
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17. Sign off

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

18. Glossary

18.1 **CRR** – Corporate Risk Register

RAG – Red/Amber/Green (denoting an assigned performance status)

Corporate Risk - relates to those factors that might have a significant effect on the achievement of workstreams in Nexus' Corporate Plan and therefore the successful delivery of the JTC's policies and priorities.

Risk - A probability or threat of damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities, and that may be avoided through pre-emptive action.

Risk appetite - The level of risk that an organisation is prepared to accept in pursuit of its objectives, and before action is deemed necessary to reduce the risk.

Risk Controls or control processes - are those pre-emptive actions which are specifically identified to be taken to lower the impact of the risk or reduce the likelihood of the risk materialising, or both of these.

Risk Matrix - a graphical representation of the Risk Severity and the extent to which the Controls mitigate it.

Risk Owner - has overall responsibility for the management and reporting of the risk.

Action Owners – given delegated responsibility from the Risk Owner to take action and manage the risk through application of the appropriate risk controls and processes.

Risk Impact - indicates the potential seriousness should the risk materialise.

Risk Likelihood - indicates the chance of a risk materialising in the time period under consideration.

Risk Score - the product of the Impact score multiplied by the Likelihood score.

Appendix 1 – Nexus Corporate Risk Register for 2023/24

Risk 1		
CP Theme: Safety without compromise		
CP Workstream: Put Safety and Security at the heart of everything we do		
Risk Area: Catastrophic security related event	RAG Status (Amber)	Direction of Travel
Risk Owners: Safety and Assurance Director/Operations Director	8(2x4)	↔ (stable)
Risk Actionees: Head of Safety and Security/Public Safety and Security Manager	Target RAG Status	
	8(2x4)	
Risk: In running any operational public transport infrastructure there is an inherent risk that a catastrophic security related event may occur, such as a terrorism incident.		
Impact/Consequence(s): The consequences of a catastrophic security related event on Metro, bus or ferry could be significant, including loss of life, prolonged service suspension, protracted legal issues to resolve, fines to pay, impact on insurance, other cost increases and likely loss of business.		
Existing Controls:		
<ul style="list-style-type: none"> • Security management plans in place for operational locations reviewed yearly. • Dedicated security team in place for Metro Operations. • Provision of over 800 CCTV units and over 200 body worn cameras worn by Customer Service Staff and public facing personnel. • Service Level Agreements in place for external CCTV monitoring by Local Authority CCTV suites. • SLA agreements in place for policing the Metro by Northumberland Police and British Transport Police (BTP). • Production and implementation of an annual Safety and Security plan for approval by Nexus Executive Board. • Extensive liaison between the Security Team and DfT Land Security and compliance to the Light Railway Security Programme (LRSP). • Liaison with National and Regional Counter Terrorism Security Advisors from Home Office and British Transport Police. • Participation in joint emergency preparedness exercises with key stakeholders. • Participation in multiple joint agency groupings focused on security and intelligence. • Communicating regular updates on the current threat from national and international terrorism. • Enhanced Customer Service establishment introduced with a designated roving capability as well as static coverage at key station locations. 		

<ul style="list-style-type: none"> • Nexus Public Safety & Security Manager presents to Customer Service new starters, and at refresher training which also includes Train Crew at their annual Operational Refresher Training. • There is a Security Working Group bringing together internal stakeholders in a joint approach to improve system security and sharing intelligence. • Periodic security reports shared with colleagues across the organisation and relevant external stakeholders. • Security awareness communications posted across network. • Working with and supporting local authorities via the Prevent programme. 		
Next Steps/Key Milestones:	Action owner	Due Date
Introduction of improved CCTV coverage, and more efficient review and download capacity, through the new fleet.	Metro Operations Director	Dec 23
Review of the Nexus Security Manual and Management plan, checked and acknowledged by the DfT.	Head of Safety and Security	May 23
Introduction of and adherence to the DfT's Light Rail Security Programme.	Head of Safety and Security	Apr 24

Risk 2		
CP Theme: Safety without compromise		
CP Workstream: Put safety and security at the heart of everything we do		
Risk Area: Catastrophic Infrastructure or operations event	RAG Status (Amber)	Direction of Travel
Risk Owners: Safety and Assurance Director	8(2x4)	↔ (stable)
Risk Actionees: Metro Operations/Infrastructure Directors	Target RAG Status	
	8(2x4)	
Risk: Any public transport system is at potential risk of a catastrophic infrastructure failure or major operational incident		
<p>The impact/consequences should a catastrophic infrastructure failure or major operational incident occur on Metro, bus and ferry could be very significant including:</p> <ul style="list-style-type: none"> • In the event of a catastrophic safety related incident the possibility for multiple loss of life. • lengthy loss or reduction of service. • likely loss of business with potential long-term impact on patronage. • protracted legal issues to resolve. • fines to pay, impact on insurance and other cost increases. 		
<p>Controls</p> <ul style="list-style-type: none"> • A Safety Certificate and Authorisation issued by the ORR for the operation of the Metro. • A company-wide Safety Management System (SMS) and a comprehensive suite of technical, operational and safety standards, procedures and rules in all relevant disciplines based on industry best practice. • The development and implementation of an annual Safety and Security Plan and supporting plans (e.g. Signals Passed at Danger (SPAD) Mitigation Plan). • Robust arrangements for the management of change, including authorisation of new or altered assets and the selection and management of contractors and delivery of capital works. • Monitoring of assets and development of mitigation plans in the event of catastrophic failure of key and critical assets. • Development and implementation of emergency preparedness and of business continuity plans in the event of major disruption. • Continuous monitoring and review of safety, infrastructure, and operational Key Performance Indicators by the Nexus' Senior Leadership Team. • Implement a risk-based annual safety plan for approval by Nexus Executive Board. 		

- Continuing to engender an organisational safety and security culture.
- Measures implemented to review opportunities to reduce the number of SPADs.
- Regular inspections of earthworks and structures in accordance with industry standards.
- Vegetation management processes designed to prevent and/or reduce infrastructure damage.
- Remote temperature monitoring of rails to identify instances of extreme high rail temperatures which could lead to rail buckling.
- Rail and joint treatment to support predictable levels of expansion and contraction caused by changes in temperature.

Next Steps/Key Milestones:	Action owner	Due Date
Deliver on the actions outlined in the 2023/24 Safety Plan.	Safety and Assurance Director	Mar 24
Developing and delivering on Nexus Track Worker Safety Alliance	Safety and Assurance Director	Mar 24
Implement outcomes of vegetation strategy.	Head of Maintenance Delivery	Mar 24


Risk 3		
CP Theme: Customer Experience		
CP Workstream: Grow patronage and improve our customer experience		
Risk Area: Metro Performance Risk Owners: Managing Director Risk Actionees: Metro Infrastructure Director, Metro Operations Director, Major Projects Director, Head of ICT	RAG Status (Red)	Direction of Travel
	12 (3x4)	↔ (stable)
	Target RAG Status	
	8(2x4)	
Risk: There are a number of things which could provide a significant impact on Metro performance, including but not limited to: <ul style="list-style-type: none"> • Ageing fleet and infrastructure leading to increasing numbers of failures and service cancellations. • A lack of a long-term funding agreement for asset renewal and vegetation management could result in asset performance declining. • Staffing shortages through, vacancies, illness, or industrial action. • Extreme weather incidents causing disruption to services. 		
Impact/Consequence(s): If Metro’s operational performance were to decline for an extended period, with a fall in punctuality and reliability, this could have an adverse impact on customer satisfaction and ridership.		
Control(s): <ul style="list-style-type: none"> • Overhead line replacement programme. • Close monitoring of key business results such as punctuality, delay minutes and asset reliability. • Delivery of the Essential Renewals programme for 2023-24. • Daily, weekly, and periodic performance reporting embedded across organisation to highlight importance of Metro performance. • Implement plans to ensure resilience of digital assets associated with the operation of Metro. • Working closer with the new Network Rail North Eastern structure to address performance issues from Pelaw to South Hylton. • Capacity to train 90 new drivers a year if required. • Regular Performance Management meetings with and stakeholder mapping exercise with Stadler. • “Assets at a Glance” drawings which identify specific problem areas and single points of failure. • Established improvement plans for key assets such as lifts, escalators, and signal track circuits. • Regular review of asset management plans, including regular inspections of assets. 		

- Established possession planning tool to identify conflicts and opportunities to combine closures to minimize disruption to our customers.
- Weather Preparedness Plans in place.
- Vegetation management processes designed to prevent land slips.
- Proactive vegetation management within the bounds of available funding.
- Working with neighbours and partners to control vegetation outside the boundaries of Nexus owned land.
- Proactive communications with Trade Unions.
- Succession planning arrangements for key roles.
- Regular review and application of best practice using COMET and UTG memberships.
- Annual Metro Performance Improvement Plans.
- Four-weekly review with Principal Engineer and Engineering Manager on each asset category.
- Metro Infrastructure Directorate Strategy in place.
- Creation of asset condition dashboard monitoring overhead line condition.
- Refreshed the managing service disruption guidance.
- Major events plans established including stakeholder relations.


Next Steps/Milestones	Owner	Due date
Complete ICT network refresh to improve resilience of digital assets.	Head of ICT	Mar 24
Review of operational fleet management arrangements with Stadler.	Metro Operations Director	May 23
Complete review of sectional running and dwell times to provide a high performing timetable that is reliable and punctual for our customers.	Metro Operations Director	Sep 23
Refreshing regulation guidance.	Metro Operations Director	Sep 23
Producing business case for the signal replacement programme.	Head of Corporate Planning	Mar 24

Risk 4		
CP Theme: Sustainability		
CP Workstream: Manage our financial standing		
Risk Area: Long term funding for Metro Risk Owners: Director of Finance and Resources Risk Actionees: Head of Programme Assurance, Head of Finance	RAG Status (Red)	Direction of Travel
	12 (3x4)	↔ (stable)
	Target RAG Status	
	3 (1x3)	
Risk: There is no long-term funding agreement in place to replace life expired capital assets, deliver safety and business critical related capital investment. Ongoing revenue support from central government across the medium term is also not keeping pace with inflation.		
Impact/Consequence(s): The lack of external funding for critical asset renewals will lead to a diminution in service, failing infrastructure and major operational disruption. The regional devolution agreement provides for revenue and capital grant funding covering 2023/24 and 2024/25, with a commitment from central government to enter into discussions with Nexus for future years' funding.		
Controls <ul style="list-style-type: none"> • Effective liaison with DfT including 4-weekly progress reporting on the current Essential Renewals programme and quarterly reviews. • Procurement strategy & contractual arrangements that minimise risk and deliver value for money. • Engaging with national government, local councillors & MPs and building public support. • Regular review of potential funding opportunities. • Project management controls in place to ensure effective and efficient delivery. • Effective programme management and prioritisation of projects. • Regular financial monitoring to Nexus' Senior Leadership Team, Executive Board. • Regular review of capital programme for 2023/24 – 2024/25 to ensure deliverability. • Longer term outline capital programme through the next spending review. 		
Next Steps/Milestones	Owner	Due date
Continue close liaison with Government officials to secure confirmation of revenue and capital grant funding for 2025/26 and beyond.	Director of Finance and Resources	Ongoing

Nexus' input to the quarterly monitoring of the Revenue budget and Capital Programme submitted to the JTC.	Director of Finance and Resources	Quarterly
Continue to lobby DfT for index linked inflation of Metro Rail (revenue) Grant.	Director of Finance and Resources	Ongoing
Preparation of business cases for future capital investment in Metro renewals, including a replacement signalling system.	Head of Corporate Planning	Ongoing

Risk 5		
CP Theme: Sustainability		
CP Workstream: Manage our Financial Standing		
Risk Area: Frontline services and discretionary travel schemes Risk Owners: Director of Finance and Resources Risk Actionees: Head of Finance	RAG Status (Green)	Direction of Travel
	6 (2x3)	 (Stable)
	Target RAG Status	
	3(1x3)	
<p>Risk: During 2022/23, Nexus experienced significant budget pressures (most notably the cost of HV power) due to inflation levels rising beyond those previously assumed. The financial position was able to be managed due to the receipt of additional central government support in the form of Local Transport Funding (LTF) and the Energy Bill Relief Scheme (EBRS), however, in 2023/24 no further support for Metro services is expected. The budget proposal agreed by the JTC for 2023/24 includes a levy increase and use of reserves, however due to the cost of HV power, a financial gap existed at the time the budget was agreed, with a combination of additional grant support from DfT and/or savings in Nexus' cost base necessary.</p>		
Impact/Consequence(s): If inflation rises beyond the levels budgeted, the stretching revenue target is not achieved and/or ENCTS ridership recovers beyond the level budgeted, Nexus will need to consider a range of actions in order to bridge the budget pressure including the use of additional grant support from central government.		
Controls <ul style="list-style-type: none"> Monitoring of Metro patronage and fare revenue, undertake research through the insight panel to gain intelligence on trends and customer behaviours. Regular financial monitoring to Nexus' Senior Leadership Team, Executive Board and the JTC. Regular liaison with DfT in relation to government grant. Regular monitoring of concessionary travel patronage. 		
Next Steps/Milestones	Owner	Due date
Continue to pursue central government support with HMT and DfT.	Director of Finance and Resources	Ongoing

Periodic revenue budget monitoring, with summary reporting to the Senior Leadership Team and the Nexus Board.	Director of Finance and Resources	Every four weeks
Nexus' input to the quarterly monitoring of the Revenue Budget reports submitted to the JTC.	Director of Finance and Resources	Quarterly
Regular monitoring of inflation to identify emerging budgetary pressures.	Director of Finance and Resources	Periodically

Risk 6		
CP Theme: Customer Experience		
CP Workstream: Grow Patronage and improve our customer experience		
Risk Area: Delivery and introduction of the new train fleet. Risk Owners: Major Projects Director Risk Actionees: Head of Fleet and Depot Replacement	RAG Status (Amber)	Direction of Travel
	9 (3x3)	 (Stable)
	Target RAG Status	
	6(2x3)	
Risk: The possibility of costs escalating or the potential for delays to the delivery of new trains or introduction of the new fleet into passenger service.		
Impact/Consequence(s): Delays to the delivery and implementation of the new fleet could place reliance on extending operation of the old deteriorating fleet at Nexus' cost. Where costs couldn't be contained by Nexus risk contingency sum, funding would have to be diverted from other areas of need. Such affordability issues could result in Nexus having to reconsider the scope of the contracts. In addition, any re-profiling of DfT grant would be subject to agreement with DfT at its sole discretion.		
Controls <ul style="list-style-type: none"> • A project risk register is live for the project and is reviewed regularly to monitor and manage existing known risks as well as identifying new and emerging risks along with identifying mitigation measures. This includes comms/media risks management in regards to Nexus reputation. • A project contingency sum is available to fund the impact of known and likely risks identified on the risk register. • Project risks and early warnings are discussed and reviewed with the suppliers of the contracts on a monthly basis and mitigation measures are agreed. • 4-weekly programme reviews/interrogation and challenge to Stadler. • Regular face to face meetings with Stadler now taking place since travel restrictions have lifted. • 4 weekly progress review meetings with Stadler. • Delivery of interdependent projects and enabling work is monitored by Capital Steering Group on a monthly basis and reported to Senior Leadership Team. • Keeping key stakeholders informed regarding progress of the programme. • Established project controls have been adopted to assist with the management of the contracts including CSM and other safety processes. 		

- Operational risks associated with the delivery of the new fleet are managed through the fortnightly Operational Readiness Meeting.
- Quarterly meetings of the joint Nexus/DfT Programme Board to report on project performance, risks and any requirements to reprofile funding.
- Quarterly meetings of the joint Nexus/Stadler Programme Board to report on project performance, risks and any commercial matters.
- Metro Systems Assurance Panel (MSAP) developed and in place to accept and validate safety related decisions for Entry into Service for depot and fleet.
- Fleet and Depot Project Assurance Plan developed for verification and validation for fleet and depot introduction, and sits under the MSAP process.
- Systems Assurance Manager commissioned via Technical Consultants to develop, monitor and manage MSAP Governance in regards to safety decision-making for Entry into Service for new depot and fleet.
- Network Rail integrated into project to ensure acceptance of the new train fleet onto Network Rail Infrastructure
- Periodic progress reporting to Nexus' Senior Leadership Team, JTC and TWSC.
- A new Head of Fleet Transition has been appointed and small team is being developed to lead on the operational readiness and operational transition from old to new fleet.
- First train of the new fleet delivered in February 2023.


Next Steps/Milestones	Owner	Due date
First train into passenger service	Head of Fleet and Depot Replacement	Oct 23
Full fleet in service	Head of Fleet and Depot Replacement	2024/25

Risk 7		
CP Theme: Assets and Technology		
CP Workstream: Improve our physical assets		
Risk Area: Efficiency of delivery of the Capital Programme	RAG Status (Amber)	Direction of Travel
Risk Owner: Major Projects Director	9 (3x3)	↔ (stable)
Risk Actionee: Head of Programme Assurance, Head of Renewals	Target RAG Status	
	3 (1x3)	
Risk: That the organisation does not have sufficient resource and or the correct skills set to successfully deliver the programme of capital works		
<p>Impact/Consequence(s): The regional devolution agreement provides for capital grant for Essential Renewals of Metro infrastructure until 31st March 2025 with a commitment from central government to enter into discussions with Nexus for subsequent years funding.</p> <p>Projects committed through Essential Renewals, are therefore not delivered in the most efficient and effective way due to the limitations of funding as noted above. Consequentially Nexus is unable to forward plan and resource up to take advantage of other emerging funding streams and thereby improve its assets, customer services or operations. Nexus is also unable to expand its limited resources with project management and supporting functions and is likely to be overly reliant on temporary and contract resources. Contractual commitments beyond March 2025 can therefore not be made and the continuity to maintain and repair critical asset renewal including Overhead Line Equipment, Howdon Viaduct and signalling development remains uncertain.</p> <p>Planning beyond March 2025 is also extremely challenging as, without an understanding of the quantum and duration of funding, it is impossible to develop a robust programme of works with any certainty. This creates substantive difficulties with securing tenders for essential renewal works due to a lack of evidential funding.</p> <p>Due to the above, procurement efficiencies are being lost and there is evidence of reduced market interest with very limited competitive tender responses being received by Nexus. Staff turnover is also increasing due to market demands and increased salary offers elsewhere for rail expertise, resulting in a loss of key knowledge, skills, and experience.</p> <p>Uncertainty around long-term funding makes the recruitment and retention of key staff more difficult leading to a reliance on external contracts. The future viability of Nexus internal Infrastructure Delivery is at risk without further longer-term investment.</p>		

Controls:

- Continue to make the case for ongoing funding from the Department for Transport (DfT) with continued engagement of the DfT via Programme Board and HMT regarding future Metro funding arrangements.
- Seek confirmation from the DfT over virement of funding to optimise programme delivery in response to current supply chain and market challenges.
- Procurement and Standing Order reviews and amendments to attract a wider market of consultants and contractors with review of contractual terms and conditions responding to changing market conditions to ensure successful procurement.
- Effective, more streamlined, and dynamic programme management, project prioritisation, delivery, and budget control processes.
- Ensure Portfolio level management of project and programme interfaces, dependencies, and business change.
- Value engineering, technology choice, option analysis, specification, and scope.
- Active stakeholder engagement to obtain involvement and co-operation of third/interested parties e.g., Metro Services, Network Rail, Local Authorities, highway authorities, utility companies etc.
- Periodic project reviews, analysis, and reporting – presentation to Nexus’ Capital Steering Group, Senior Leadership Team, Executive Board, the JTC and the joint Nexus/DfT Programme Board.
- Continuous review of existing vacancies within teams and evaluate mitigation options for retention and recruitment of key skills and resources.
- A work resource plan for capital programme for 2023/24 is being updated with regular reviews planned ensure frameworks are in place to address capacity and skills gaps.

Next Steps/Milestones	Owner	Due date
Continue close liaison with Government officials to secure confirmation of capital grant funding for 2025/26 and beyond.	Director of Finance and Resources	Mar 24

Risk 8		
CP Theme: Assets and technology		
CP Workstream: Technology		
Risk Area: Cybersecurity Risk Owner: Director of Finance and Resources Risk Actionee: Head of ICT	RAG Status (Amber)	Direction of Travel
	8(2x4)	 (stable)
	Target RAG Status	
	8(2x4)	
Risk: A successful cyber-attack on Nexus ICT infrastructure.		
Impact/Consequence(s): Nexus' ICT infrastructure is key to all the functions and activities we carry out. Failure to adequately secure and protect this from a cyber-attack could have a severe adverse impact on the delivery of services and potentially preventing critical actions and day-to-day work from being carried out.		
Controls: <ul style="list-style-type: none"> • Nexus utilise a modern supportable resilient firewall, with a subscription to identify and protect against existing and emerging threats. • Security patching for systems including servers, workstations is undertaken on a high frequency level. • Significant technical controls are in place to manage the use of internet, email and reduce potential data loss. • Significant technical controls are in place for anti-virus and anti-malware on workstations and servers. • We subscribe to governmental cyber-threat awareness bulletins and are members of local security working groups. • Should a system fail or be rendered unusable by a cyber-attack, we regularly back-up all essential systems and data so service can be returned safely and efficiently. • Governance and user guidance is published, users are aware of their responsibilities. • Nexus staff complete a yearly cyber security eLearning module to ensure their knowledge is kept updated. • Nexus raises awareness of security threats using internal communications such as global email bulletins. • Nexus measure awareness through different mediums such as planned covert Phishing attacks. • All changes to Nexus ICT assets are subject to a robust change control process. • We have a suite of policies on security controls and acceptable use. • The ICT department maintain DC/BR and cyber incident security policies to respond and manage incidents. • Network segregation to protect critical systems and mitigate risk in particular to rail-based systems is in place. 		

- Security risks within ICT are managed using a suitable risk management process.
- Regular review of ongoing notifications from key suppliers regarding vulnerabilities to ensure timely notification and action.
- 3-year Cyber Security review and improvement plan developed.
- Internal audit for cybersecurity completed.


Next Steps/Milestones	Owner	Due date
Deliver 3-year Cyber Security improvement plan.	Head of ICT	Mar 26

Risk 9		
CP Theme: Customer Experience		
CP Workstream: Products and Payment		
Risk Area: Products and Payment Offer Risk Owner: Customer Services Director Risk Actionee: Project Lead – Integrated Ticketing, Commercial Manager	RAG Status (Amber)	Direction of Travel
	6(2x3)	↑ (Improving)
	Target RAG Status	
	3(1x3)	
Risk: Our products and payments offer fails to meet the changing needs of our customers and results in a loss of patronage across modes of transport.		
Impact/Consequence(s): Changes to the way in which people choose to travel and technological developments may mean that the Nexus’ product offer is perceived as inadequate, outdated, and unable to deliver the intended benefits for customers and stakeholders impacting Nexus’ patronage recovery. While Nexus has driven innovation in product and payment channels thus far, the next step towards multi-modal smart travel and then multi-modal contactless travel will requires continued funding and effective partnerships across operators to make it possible.		
Controls: <ul style="list-style-type: none"> • Introduction of a multi-modal price capped Pay As You Go (PAYG) product delivered through smart channels initially using existing ITSO infrastructure and the Pop brand and platform. • Continuous review of retail trends and customer choice with market research carried out to establish product development proposals. • Simplification of the product range on Metro and other Nexus services. • As part of NTL, simplification of the multi-modal and young persons offers. • Provision made in the Fares and Revenue budget in order to support research into the development of new products. • Seeking opportunities to work with partners and explore the potential for attracting external funding. • Continue promotion of PAYG on Android. • Increasing the proportion of card-only and coin and card ticket machines. • PAYG fares on Metro and Shields Ferry frozen at April 2021 prices. • Full NTL ‘Network One’ season product range available on Pop from June 2023. 		

Next Steps/Milestones	Owner	Due date
Seek funding for continued innovation in product and payments arrangements.	Customer Services Director	Ongoing
Continue to encourage customer transition to cashless and paperless journeys.	Head of Commercial	Mar 25
Add current NTL product range onto smartcard.	Head of Commercial	Jun 23
Deliver a multi-modal price-capped pay-as-you-go product.	Head of Commercial	Mar 24
Develop products to provide integration between Metro and rail on the Northumberland Line.	Customer Services Director	Mar 24
Update back office and on-station ticket infrastructure to be able to accommodate product advancements.	Head of Multi-Modal Smart Ticketing	Mar 25
Extend Take the Kids for Free price promise to all bus services as part of the Enhanced Partnership.	Head of Commercial	Jun 23
Work with other providers to support PAYG on other mobile devices.	Head of Commercial	Dec 25


Risk 10		
CP Theme: Grow our patronage and improve our customer experience		
CP Workstream: Invest in our infrastructure		
Risk Area: Funding public transport network improvements Risk Owner: Director of People and Culture	RAG Status (Green)	Direction of Travel
	6(2x3)	<p style="text-align: center;">↔ (stable)</p>
	Target RAG Status	
	4 (2x2)	
Risk: That opportunities to secure additional funding for public transport improvements through competitive funding bids are not successful		
Impact/Consequence(s): Nexus will rely on external funding opportunities to implement enhancements to the public transport infrastructure that it is responsible for. Without this funding existing resources will, at best, only be able to maintain assets to their current condition and in some cases, assets will deteriorate due to lack of funding. This will impact on customer perceptions as public transport will not meet expectations leading to reduced patronage and revenue and Nexus will not meet the aspirations set out in the Recovery Plan to attract customers back to Metro and to replace journeys no longer being made with new markets.		
Controls: <ul style="list-style-type: none"> • Nexus schemes are included in the Regional Transport Plan pipeline and regional business case for CRSTF. • A pipeline of capital schemes aligned with the Nexus Corporate Plan will be developed for specified funding opportunities. • A detailed pipeline of potential schemes is developed and maintained for new and currently unspecified funding opportunities. • Nexus resources, both people and financial, are allocated to develop Nexus capital programme pipeline. • New schemes will be subject to the Nexus prioritisation process to match business priorities quickly and effectively to funding opportunities. • Schemes will be developed and governed under the Nexus' Stage-gate control processes. • Internal stakeholders are identified, and regular stakeholder meetings are held. • Regular liaison with Transport North East to provide project updates and ensure that schemes are developed in line with wider regional objectives. • Regular liaison with other external stakeholders, including DfT to ensure alignment with other projects and local objectives. • Match funding has been identified for live bidding opportunities. • Continuous horizon scanning for new funding opportunities. • Feasibility studies are progressing to identify suitable schemes to progress to bids. 		

<ul style="list-style-type: none"> Strategic outline business cases developed for schemes in the City Region Sustainable Transport Fund. 		
Next Steps/Milestones	Owner	Due date
Work with North Tyneside Council to secure funding for the relocation of the Ferry Landing to the Fish Quay.	Head of Corporate Planning	May 24
Develop the OBC for the replacement of the signalling system.	Head of Corporate Planning	May 25
Identify funding opportunities to improve the environmental performance of the Ferry.	Head of Corporate Planning	Mar 24

Risk 11		
CP Theme: Putting Safety and Security at the heart of everything we do CP Workstream: Reduce Anti-social Behaviour		
Risk Area: Antisocial behaviour Risk Owner: Managing Director Risk Actionees: Safety and Assurance Director, Metro Operations Director	RAG Status (Amber)	Direction of Travel
	9(3x3)	<div style="text-align: center;">  (stable) </div>
	Target RAG Status	
	3 (1x3)	
Risk: An increase in anti-social behaviour leads to loss of reputation and reduced patronage		
Impact/Consequence(s): An increase in anti-social behaviour across the Metro network could result in the perception that Metro is unsafe to travel on leading to falling patronage and increased costs on repairing and replacing damaged equipment.		
Controls: <ul style="list-style-type: none"> • Weekly attendance at strategic and operational ASB forums, working in cohesion with Police, Local Authority, and Youth Justice colleagues. • Enhanced CCTV installed around system. • Regular security operations held across network to provide customer reassurance and to mitigate ASB. • Body worn cameras available to all public facing staff to support enforcement action. • Radios issued to Customer Service and Security teams to maintain good levels of communication. • Extensive liaison meeting with partner organisations to identify repeat offenders. • Increased messaging and communications at hotspot locations. • Pursue strong enforcement action against repeat offenders. • Metro Police Unit, British Transport Police and Neighbourhood Police Teams presence around network. • Regular roving patrols by Customer Service and Security staff around network. • Nexus Security Team attendance at multiple ASB mitigation events. • Targeted patrols in areas with higher levels of ASB. • Ticketing gate lines at key stations. • Multiple Security Working Groups, including graffiti, vandalism, and crime and disorder forums with key internal and external stakeholders, to implement and adhere to actions. • Increased numbers of Concourse Team members at key locations, and with the Customer Support Team roving resource. 		

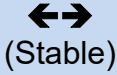
- Nexus Security Team direction and support for the business and key external partners.
- Security Team liaison with Youth Justice Teams, to support and attend diversionary, intervention, mediation, and reparation processes.
- Regular review of plans identified in independent security review.
- Additional security staff in place to provide a high-profile presence on the network.
- Nexus supports and is proactively involved with the Safer Transport Northumbria Project where we have been successful again for funding from the Home Office.
- Realising the benefits of the Multi Agency Transport Team, comprised of Nexus Security, and Local Authority Community Safety personnel working together in a joint approach to target crime and unacceptable behaviour on our transport networks.
- Delivery of the 2023/24 Safety and Security Strategy.
- Intelligence and information-led targeted operations to curb rise in cable theft.
- Covert cameras to curb rise in cable theft.
- Involvement in National Infrastructure Crime Reduction Partnership.

Next Steps/Milestones	Owner	Due date
Deliver TCF programme to improve safety and security at carparks.	Customer Service Director	Jun 23
Recruit a Community Safety Officer, responsible for community safety/security engagement.	Head of Safety and Security	Jun 23

Risk 12		
CP Theme: Grow Patronage and Improve our customer experience		
CP Workstream: Invest in our infrastructure		
Risk Area: North Shields Ferry Landing	RAG Status (Red)	Direction of Travel
Risk Owner: Major Projects Director	16(4x4)	 (Declining)
Risk Actionee: Head of Renewals, Customer Services Director	Target RAG Status	
	9(3x3)	
Risk: The condition of the North Shields Ferry Landing continues to deteriorate and no funding is found to build a replacement		
Impact/Consequence(s): Continued deterioration of the North Shields Ferry Landing is likely to lead to prolonged service suspensions and undermine the viability of the service without significant investment by 2025. This will reduce customer confidence and satisfaction in the service leading to declining patronage putting the long-term viability of the service into doubt.		
Controls:		
<ul style="list-style-type: none"> • Internal project team-level Steering Group/working group. • Regular updates to the Major Projects Directorate Steering Group. • Periodic progress reporting to Nexus' Senior Leadership Team and JTC. • Continued advance planning and collation of information in identified risk areas to mitigate future deliver risks. • Apply effective and proven project management controls, risk management planning and governance processes with appropriately skilled resources employed in these areas. • Active stakeholder engagement to obtain involvement and co-operation of third/interested parties. • Regular assessment of programme delivery against grant funding conditions and meeting with funding bodies to provide up to date progress. • Hold funding strategy workshops facilitated by North Tyneside Council and progress agreed actions as a priority. • Ensure a strategic multi-party meeting facilitated/chaired by North Tyneside Council is set up which embeds the North Shields Ferry Landing relocation as an integral part of a wider ambition for the Fish Quay area and both North and South Shields, ensuring strategic foresight and all schemes are joined up. • Horizon scanning and bidding for funding to continue to develop the project. 		

<ul style="list-style-type: none"> Progression of development project tasks to ensure the project is “shovel ready” in the event of funding being secured. For example, form A design, navigational assessments, operational assessments, preparation of planning application, and ground investigations works. 		
Next Steps/Milestones	Owner	Due date
Attend and contribute towards ongoing strategic multi-party meetings facilitated/chaired by North Tyneside Council which embed the North Shields Ferry Landing relocation as an integral part of a wider ambition for the Fish Quay area.	Head of Renewals	Ongoing
Completion of Ground Investigation works.	Head of Renewals /Major Projects Director	Jul 23
Complete development of ITT for Design and Build Contract for main works ready to be released when funding is secured.	Head of Renewals /Major Projects Director	Jan 24
Nexus to issue a stage one tender to the market based on the outline design.	Head of Renewals /Major Projects Director	Jan 24 subject to funding confirmation
Completion of stage one tender works	Head of Renewals /Major Projects Director	Feb 24
D&B ITT stage two tender contract award	Head of Renewals /Major Projects Director	Jun 24
Completion of stage two tender works	Head of Renewals /Major Projects Director	Aug 25
Land Agreements Leases and Consents to be completed before tender issue	Head of Renewals /Major Projects Director	Jan 24

Planning & Licenses Granted	Head of Renewals /Major Projects Director	Jan 24
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Risk 13		
CP Theme: Grow our patronage and improve our customer experience CP Workstream: Customer Services		
Risk Area: Future of the Bus Network Risk Owner: Customer Services Director Risk Actionee: Head of Commercial, Head of Customer Services, Head of Corporate Planning	RAG Status (Amber)	Direction of Travel
	9(3x3)	
	Target RAG Status	
	6(2x3)	
Risk: Meeting the region’s target for access to public transport would become beyond the budget available to Nexus, due a significant withdrawal of commercial services caused be a combination of rising costs, static patronage and/or driver availability.		
Impact/Consequence(s): Bus patronage across commercial operators is currently about 80% of historic levels and, with Government support set to be reduced, commercial and subsidised bus service will become less sustainable and may push the bus network in the region into terminal decline. The shortage of bus drivers and resulting short-notice cancellations may also undermine public confidence in the mode. Service cuts will mean bus would cease to provide the necessary transport options across communities reducing access to education, employment, and leisure opportunities. Failure to adequately fund improvements and repairs to bus infrastructure is likely to exacerbate negative feelings towards bus services.		
Controls: <ul style="list-style-type: none"> • Delivery of an Enhanced Partnership between Transport North East, Nexus and Bus Companies, supported by funding from the Government’s Bus Service Improvement Plan. • Support local bus boards and customer consultation processes to understand and reflect local priorities for bus services. • Implement further rescue packages where commercial operators make cuts, consulting stakeholders to implement a network review funded by the BSIP (Bus Services Improvement Plan) until 2025. • Encourage bus companies to make planned frequency reductions where these will have the least impact, rather than cancelling services ad hoc. • Implement fares and discounts for young people agreed by the Enhanced Partnership across all Nexus services including Metro and Ferry in order to deliver the best possible holistic public transport offer. • Monitoring of public transport patronage and undertake research through the insight panel to gain intelligence on trends and passenger behaviours. • Lobby Government for additional funding to support bus services. 		

- Develop Capital and revenue led schemes in readiness for funding opportunities.
- Build business cases to fund improvements in bus infrastructure and information provision.
- Nexus deliverables from the Enhanced Partnership Scheme incorporated into the Corporate Business Plan for monitoring.

Next Steps/Milestones	Owner	Due date
Liaise with TNE to ensure commitments set out within the EP Scheme are sufficiently developed and adequately funded.	Customer Services Director	Ongoing
Deliver and monitor the secured bus network and provide monitoring data as agreed.	Head of Commercial	Ongoing
Develop designs alongside Gateshead Council to improve Gateshead bus station as part of Interchange redevelopment proposals.	Customer Services Director	Apr 24
Deliver a Multimodal Price Capped Pay As You Go Product through the Bus Service Improvement Plan.	Customer Services Director	Nov 24

Appendix 2

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

			Uncontrolled and Controlled Risk Scores						
Risk area	Uncontrolled			Controlled			Target		
	L'hood	Impact	Score	L'hood	Impact	Score	L'hood	Impact	Score
Catastrophic security event	4	4	16	2	4	8	2	4	8
Catastrophic safety event	4	4	16	2	4	8	2	4	8
Metro Performance	4	4	16	3	4	12	2	4	8
Long Term funding for Metro	4	4	16	3	4	12	1	3	3
Frontline services and discretionary travel Schemes	4	4	16	2	3	6	1	3	3
Delivery and introduction of the new train fleet.	4	3	12	3	3	9	2	3	6
Efficiency of Delivery of the Capital Programme	4	3	12	3	3	9	1	3	3
Cybersecurity	4	4	16	2	4	8	2	4	8
Products and Payment Offer	4	3	12	2	3	6	1	3	3

Funding Public Transport Network improvements	4	3	12		2	3	6	2	2	4
Anti-Social Behaviour	4	3	12		3	3	9	1	3	3
Ferry Landing Relocation	4	4	16		4	4	16	3	3	9
Future of the Bus Network	3	4	12		3	3	9	2	3	6

Appendix 3: Risk Score Matrix

Assess the impact if the risk occurred:

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

Assess the likelihood of the risk occurring:

Likelihood:	
High	Risk will almost certainly occur or is occurring at present
Medium	Risk is likely to occur in most circumstances
Low	Risk may occur
Negligible	Risk is unlikely to occur

Assess the impact should the risk occur e.g.

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

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

Date: 6 April 2023

Subject: Tyne Tunnels Update

Report of: Managing Director, Transport North East

Executive Summary

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

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

The report provides information on traffic levels at the Tyne Tunnels, which are continuing to be higher than in previous years with over 1.4 million vehicle journeys through the tunnels during February 2023.

The report also gives an update on the compliance rate (rate of successful toll payments) under the Tyne Pass Scheme which is at 97.76% in February 2023. This is the highest compliance level since the Tyne Pass system came into operation and shows a promising trend of fewer tunnel users failing to pay to toll on time and being affected by enforcement.

Operational changes are due to take place on 31st March relating to the Blue Badge scheme at the Tyne Tunnels. The report details these changes which relate to the requirement for users to register their vehicle for a Blue Badge exemption from paying the toll.

The report also provides an update on the usage and operation of the Pedestrian and Cyclist tunnels with particular reference to the completion of the inclined lifts.

Recommendations

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

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

1. Background Information

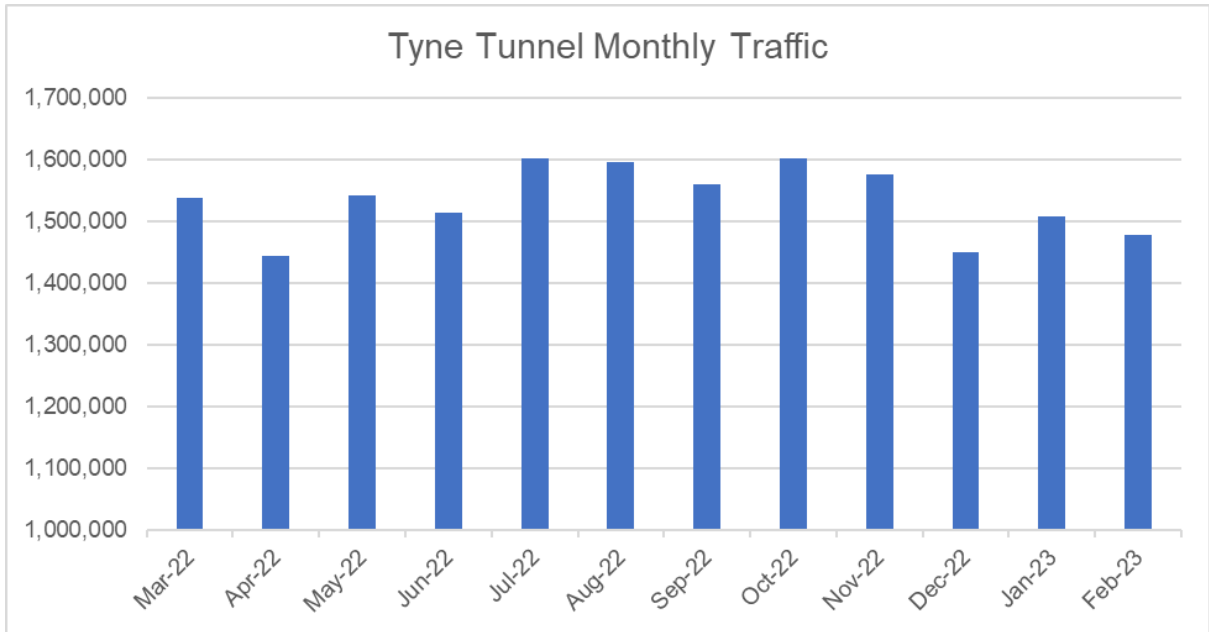
- 1.1 The Tyne Tunnels are jointly owned by the five Tyne and Wear Councils through their membership of the North East Combined Authority (NECA) and the North of Tyne Combined Authority (NTCA). Through the region's joint transport arrangements the interests of the local authorities are represented by the Joint Transport Committee's Tyne and Wear Sub Committee (TWSC) and administered by officers of Transport North East.
- 1.2 The Tyne Tunnels comprise of two vehicle tunnels (one northbound and one southbound) and the pedestrian and cyclist tunnels all passing under the River Tyne and linking North Tyneside with South Tyneside. The first vehicle tunnel was opened in 1967, and the second opened in 2011 having been financed and built using a Concession contract.
- 1.3 The Tyne Tunnels are self-funded and receive no central government funding nor any local authority subsidy or levy, with all operational costs and debt financing costs being met from the tolls charged to users of the vehicle tunnels. The toll charges are necessary to repay the significant debts which were incurred in 2007 by both TT2 Limited and the local authorities in the building of the second tunnel and undertaking substantial refurbishment of the original tunnel.
- 1.4 TT2 Ltd as Concessionaire is responsible for the day-to-day management and operation of the Tunnels, in accordance with the Project Agreement which is in place from 2007 to 2037. This is monitored by the Tyne Tunnels Manager on behalf of Transport North East.

2. Traffic Tunnels Update

Traffic Flows

- 2.1 Traffic flows through the Tyne Tunnels are reviewed daily by TT2 and Transport North East. If traffic levels are low (as they were in 2020 and 2021 due to Covid restrictions), TT2 suffers the income loss from the reduced toll income rather than the JTC, as the JTC income is protected by the nature of the Project Agreement. The agreement is designed so that JTC takes the first share of traffic income, while TT2 takes its income from the additional traffic over that level. This means that TT2 takes the main financial risk on a drop in traffic, but also benefits financially when traffic is higher.
- 2.2 In recent months traffic has seen a strong recovery to pre-pandemic levels and is now significantly higher than it has been in the last few years. Traffic for February is usually slightly lower than other months as it is a short month, however it is still high compared with last year and previous years. In February 2023 there were **1,469,471** vehicle journeys through the tunnels, compared with the previous year when in February 2022 **1,297,295** vehicle journeys were made. Whilst the rise in traffic will be in part due to the effects of displaced traffic from other river crossings, TT2 considers that the main reason for the higher traffic levels is the faster journey times due to the barrierless system at the Tyne Tunnels and other A19 improvements such as Testos and Silverlink which have also improved journey times on this stretch of road.

2.3 **Fig: 2.3 Tyne Tunnel Monthly Traffic**



By way of comparison, pre-pandemic traffic in 2019 at the Tyne Tunnels was 1,393,767 million vehicles per month on average.

Tyne Pass Scheme update

2.4 The Tyne Pass Scheme for barrierless open road tolling, has been in operation for 15 months and the number of customers paying the toll successfully for their journey is on an upward trend. Based on experience of other similar schemes it was expected that the non-compliance rate would start at a higher level then reduce as familiarity with the system improved. It was envisaged that the rate would reduce to under 3% within the first 2 years of the scheme.

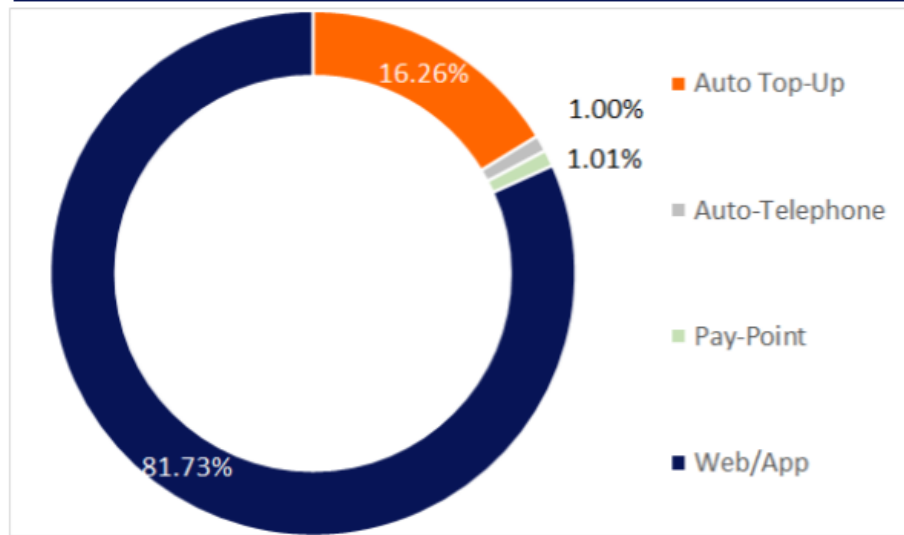
2.5 The majority of customers pay the toll by pre-paid account (80% of all payments in February 2023). These customers benefit from an optimum service as they can:

- pay before or after their journey;
- use the 'auto-top up' facility with a linked bank card;
- receive regular email alerts and reminders if their balance is running low;
- receive a 10% discount on every journey.

2.6 Most customers are choosing to pay the toll by digital means with over 97% of customers choosing to pay by web/app or via auto-top up or auto-phone. However, there is still the option to pay the toll in cash for those who need it, with Pay Point locations across the north east accepting toll payments in local retail outlets in cash with no additional charge for this service.

2.7 **Fig: 2.7 Toll payment modes**

Payment Modes



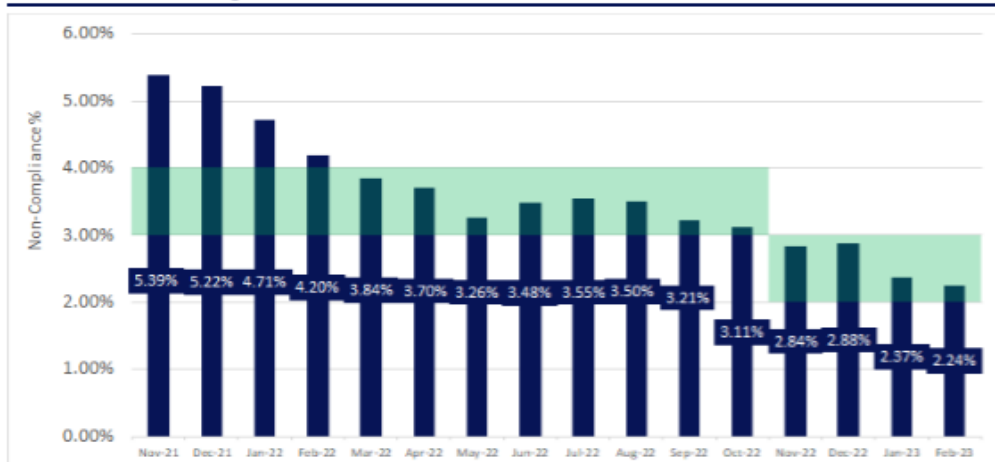
Over 97% of payments are by digital channels. Auto-Top-Up is at the highest percentage thus far.

2.8 In February 2023, the toll was paid on time for 97.76% of journeys which is the best rate of compliance so far since the open-road tolling scheme came into operation in 2021.

The chart below shows that the percentage of journeys which were 'non-compliant' (where customers failed to pay the toll and received a UTCN - Unpaid Toll Charge Notice) has decreased significantly since the start of the scheme in November 2021 when it was over 5%.

2.9 **Fig: 2.9 Non-compliant journeys (journeys where toll is not paid)**

Non-Compliance



Tyne Pass Non-Compliance is a measure of the non-compliance percentage of traffic. The green band is TT2's target for the end of the year. 2.37% equals the achievement at Mersey Gateway for Oct-Dec 2022.

Toll Increase

- 2.10 A detailed in previous reports, members agreed in November 2022 that a toll increase should come into effect in May 2023. Given the inflationary contractual increase triggered in the payments to TT2, there was a financial imperative to apply an increase to the toll to ensure the Tyne Tunnel Account could be kept in balance.
- 2.11 The Tyne Tunnels legislation sets out the process and the calculation for a revision to the toll every 12 months, which allowed an increase to take place in early 2023, however members made a decision to postpone the implementation of the increase until May 2023, with the shortfall (compared to the amount payable as the Shadow Toll) to be funded by Tyne Tunnels reserves. This was to assist tunnel users over the winter months given the current cost of living crisis.
- 2.12 The increase is planned to take effect from 1st May provided that the Department for Transport have confirmed the Order is in place for the increase. The formal application process has been completed and the DfT approval is expected in the next few weeks. Once approved, the increase will take effect from the first week in May (exact date of implementation yet to be confirmed).

2.13

Fig.2.13: Toll charges from May 2023

	Cost per journey	10% discount Pre-Paid account
Motorbike or Disabled registered	Free	N/A
Car, Van or Bus less than 3.5 tonnes	£2.20	£1.98
LGV, Van or Bus over 3.5 tonnes	£4.40	£3.96

- 2.14 In terms of the effect of the toll increase on customers, it is important to note that approximately 80% of all journeys are made by Pre-Paid customers who receive a 10% discount on the toll. There is no change proposed to this 10% discount, which means that the toll revision for most customers results in a new toll payment which is still less than £2.00 from May 2023.

- **New toll for cars (Class 2) - £1.98** (includes Pre-paid discount)
- **New toll for HGVs (Class 3) - £3.96** (includes Pre-paid discount)

Blue Badge Lane Changes

2.15 As members are aware the legislation for the Tyne Tunnels allows free passage (zero toll) for various vehicles including ambulances, police vehicles, fire service vehicles and public buses. There are also two types of toll exemption for disabled people:

1. Vehicles registered with DVLA for an exemption from road tax by a disabled person;
2. A vehicle registered to a Blue Badge holder.

Compared with other tolling operators around the UK, the Tyne Tunnels arrangement is a generous scheme as it allows both types of exemption. Many other similar schemes do not allow a Blue Badge exemption on the basis that Blue Badges are intended as a parking benefit rather than a financial benefit, to enable badge holders to park close to local services.

2.16 Most other road operators are strict in their approach to disabled exemptions and only allow DVLA registered tax exempt vehicles, rather than allowing Blue Badge holders to be exempt too. Some operators put in place their own 'Mobility Scheme Permit' with their own criteria to apply for an exemption. Some examples are:

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

2.17 The original arrangement for Blue Badge holders at the Tyne Tunnels was to 'display a badge' in the vehicle, to be seen when approaching the toll barrier, in order to be allowed free passage. Clearly this arrangement could not continue under the new barrierless scheme when the toll barriers were removed, as automated number plate recognition (APNR) cameras are used to implement tolling and classify vehicles which are exempt from tolling.

2.18 A public consultation took place in February to April 2021 to obtain the views of tunnel users and local people in relation to the Blue Badge exemption. The consultation provided useful feedback from both disabled and non-disabled users. The consultation considered whether to retain the Blue Badges exemption and whether to put in place a system of vehicle registration to replace the need to display the badge by stopping at a toll barrier.

2.19 Respondents were overall in favour of retaining both types of disabled exemptions and setting up the registration scheme. There was also strong support for the fact that the Tyne Pass scheme would make journeys quicker and easier for disabled people. A decision was made by this committee on this basis that the exemption would be retained and a registration scheme would be put in place for Blue Badge holders to each register one vehicle.

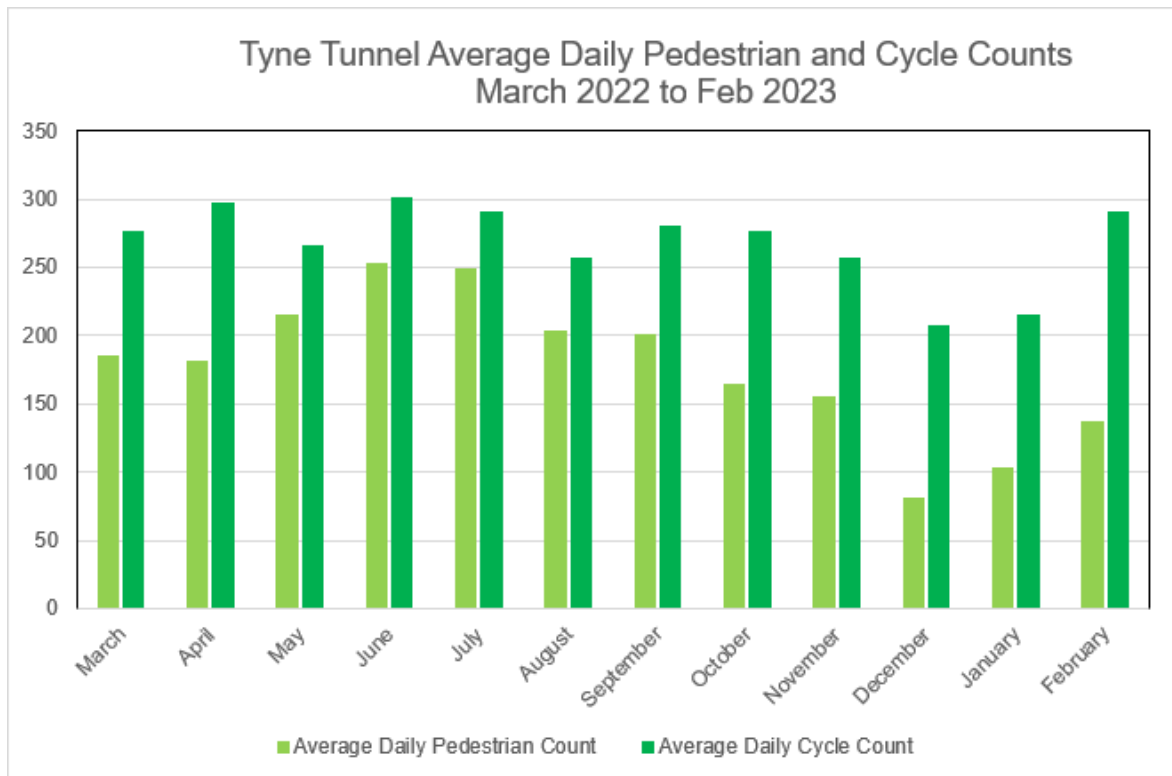
- 2.20 It was agreed with TT2 that rather than make the change overnight, transitional arrangements would be put in place to allow Blue Badge holders time to transition to the registration scheme. Therefore, when the toll barriers were removed in November 2021, a temporary 'inspection lane' was set up for Blue Badge holders who had not managed to register their vehicle. This meant they could pull in and show their Blue Badge to a staff member.
- 2.21 The temporary inspection arrangement for Blue Badge holders has now been in place for over a year and will be removed on 31st March 2023 to allow the lane to be permanently used for HGVs carrying specific loads who need to pull over to be escorted through tunnels to comply with UK safety regulations, as planned. Over the last 12 months Blue Badge holders have been educated on how to register their exemption both via marketing communications and by staff members in the inspection lane giving them face to face information. From 31st March Blue Badge holders must register their vehicle as set out in the legislation. They can only register one vehicle per Blue Badge, however it can be a relative or carer's vehicle, it does not have to be driven or owned by the Blue Badge holder.
- 2.22 The transitional arrangement has been successful as numbers using the inspection lane have dropped as more and more vehicles have been registered for exemption. Since November 2021 over 15,000 Blue Badge holders have now registered their vehicle successfully under the new scheme and can drive straight through for free, without stopping.
- 2.23 Most applicants use the online registration service but there is also a postal service for those who may not be confident online, this postal registration service has been successfully used by many Blue Badge holders since the start of the Tyne Pass Scheme in Nov 2021.
- 2.24 The legislation for the Tyne Tunnels (the updated River Tyne Tunnels Order) sets out that under the current scheme, the Blue Badge exemption has been retained (as well as the DVLA exemption for disabled person's vehicles). Blue Badge holders do not have to stop and display their badge but can drive straight through for free, provided they have registered their vehicle via a registration scheme. This will align the way they use the Tyne Tunnels with other users, removing the requirement to stop and prove their exemption.
- 2.25 It was agreed with TT2 that there be no limit on the number of journeys per Blue Badge user and no requirement to live in the region to benefit from this scheme. It is considered that in comparison to other toll operators in the UK, this is a generous scheme to benefit disabled people.
- 2.26 The change to the arrangements for Blue Badge holders in terms of the lane change has been communicated by TT2 marketing team to tunnel users via numerous channels including social media, direct emails to customers and using Local Authorities communications channels.

Tyne Pedestrian and Cyclist Tunnels Update

2.27



- 2.28 The Tyne Pedestrian and Cyclist Tunnels reopened for public use in August 2019 after being closed for several years for refurbishment. The tunnels are currently open to the public with no charge to users. To access the tunnels, pedestrians and cyclists can use the vertical lift at both ends. The tunnels are monitored via CCTV by the 24-hour security presence on-site.
- 2.29 The tunnels were open initially during the hours of 06:00 and 22:00. Following requests from users for night time opening, a trial of 24-hour opening was put in place to assess whether there were any concerns regarding safety or anti-social behaviour. The trial proved to be successful and they have remained open 24/7 throughout 2021 and 2022. There have been no major concerns or incidents of antisocial behaviour. The night-time opening has proved very popular, particularly benefiting shift workers who cycle to work at night.
- 2.30 The tunnels have been closed briefly when lift maintenance works have been carried out on the vertical lifts. There was a planned 6 day closure in August 2022 for the lifts to be re-roped and an unplanned closure in December 2022 when the north lift was out of service. On each occasion, when the tunnels are closed a replacement bus service with cycle trailer has operated free of charge for users from 6am to 10pm.
- 2.31 Daily use of the tunnels has increased since the tunnels reopened in 2019. Cycling in particular, has increased in popularity. Daily average usage is shown below.



Inclined lifts refurbishment

- 2.32 The inclined glass lifts are additional lifts which have been planned to increase capacity for cyclists and to provide a tourist attraction, as they are bespoke glass lifts which travel on a steep incline down the historic escalator shaft to the lowest part of the tunnels. Completion and certification of the inclined lifts is awaited as they have proved difficult to complete due to the bespoke nature of the design and issues with contractors.
- 2.33 As the members of this committee are aware, the completion of the inclined lifts was delayed throughout 2020 with the Italian lift engineers (Maspero) citing Covid-19 travel restrictions as the principal reason for this. Maspero engineers were last on site in January 2020 and have not been back to site since. However, the completion of the inclined glass lifts is a priority and therefore other options have been considered to reach a solution that allows the inclined lifts to be brought into operation as soon as possible.
- 2.34 New lift contractors were appointed in late 2021 with works taking place in 2022. The new specialist lift engineers have made good progress on the wiring and mechanical systems which control the lift. However, there are still works to be completed on the cabin, doors and the door operating mechanisms. New parts were required and were ordered in mid-2022 however they were subject to a longer delivery process than expected due to supply chain delays.
- 2.35 The new parts were delivered to the UK in December 2022, and the works have progressed well in January and February 2023. Once the new parts are installed and fitted, the works can then move on to the final stage of testing and certification. The current works programme is based on the testing and certification process taking place in the summer of 2023 with the lifts opening to the public soon after. Once they are

operational, the new lifts will be able to carry up to 6 cyclists and their bikes in one journey.

3. Reasons for the Proposals

Not applicable.

4. Alternative Options Available

Not applicable.

5. Next Steps and Timetable for Implementation

Officers will continue to work with TT2 on customer-focused improvements to the Tyne Pass system which has now been in operation for over 15 months.

The lift contractor is continuing work on the inclined lifts to enable them to be brought into operation as soon as possible.

The legal process for the toll increase to take effect is underway and the increase is planned to take effect in the first week of May 2023.

6. Potential Impact on Objectives

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

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

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

7. Financial and Other Resources Implications

7.1 There are no financial implications arising directly from this report, which is for information. The financial implications of the toll increase decision were set out in the November 2022 report.

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

8. Legal Implications

There are no legal implications arising directly from this report.

9. Key Risks

There are no key risks associated with this report.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

The Head of Paid Service, Monitoring Officer and Chief Finance Officer have been consulted. Regular updates are provided to the Transport North East (Tyne and Wear) Sub-Committee. TT2 website and the Pedestrian and Cycle Tunnel website both provide updates to the public on all matters related to the Tunnels.

13. Other Impact of the Proposals

Not applicable.

14. Appendices

None.

15. Background Papers

River Tyne (Tunnels) Order 2005

River Tyne (Tunnels) (Modification) Order 2011

Tyne Tunnel Update reports to previous meetings of the Tyne and Wear Sub-committee.

16. Contact Officers

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

17. Sign off

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

18. Glossary

TCPT – Tyne Cyclist and Pedestrian Tunnel

PA – Project Agreement (Concession agreement with TT2)

JTC – Joint Transport Committee
UTCN – Unpaid Toll Charge Notice
DfT – Department for Transport