



Tyne & Wear ITA - Metro Sub Committee

Meeting to be held: Committee Room, Civic Centre, Newcastle upon Tyne, NE99 2BN on Thursday 9 June 2011 at 10.30 am

Membership: Blackburn, Hanson, Hodson, Lott, Maughan, McElroy, Stokel-Walker and D Wood

Contact Officer: Victoria Miller (0191) 211 5118 victoria.miller@newcastle.gov.uk

ITA papers are available on the ITA website at www.twita.gov.uk

Members are reminded to sign the attendance list

Page

- 1. Appointment of Chairman**
- 2. Appointment of Vice-Chairman**
- 3. Apologies for absence**
- 4. Declarations of Interest of Members or Officers**

(If any Member has a personal/prejudicial interest please complete the appropriate form and hand this to the Democratic Services Officer before leaving the meeting. A blank form can be obtained from the DSO at the meeting).

Members are reminded to verbally declare their interest and the nature of it and, if prejudicial, leave where appropriate at the point of the meeting when the item is to be discussed

- | | |
|---|----------------|
| 5. Minutes of the Previous Meeting | 1 - 8 |
| 6. Quarterly Performance Report - Quarter 4 2010/11 - Asset Renewal Plan | 9 - 18 |
| 7. Quarterly Performance Data - Quarter 4 2010/11 - Metro Operating Concession | 19 - 30 |
| 8. Date and Time of the Next Meeting | |

Thursday, 1 September 2011 at 10.30am

| | | |
|-----|--|----------------|
| 9. | Exclusion of Press and Public | |
| 10. | Confidential Minutes of the Previous Meeting | 31 - 32 |
| 11. | Quarterly Performance Report - Quarter 4 2010/11 - Metro Farebox Income | 33 - 44 |

NOTE: Under the Local Government (Access to Information) Act 1985 members of the public have a right to inspect any non-confidential background papers used in the production of a non-confidential report to the Authority. Requests for information should be made to the Department originating the report.



Tyne & Wear ITA - Metro Sub Committee

17 February 2011
(10.30 am - 12.05 pm)

Present:

Councillor: D Wood (Chair)

Councillors: Hanson, Hodson, Lott, McElroy and Stone

IN ATTENDANCE:

K Mackay - Director of Rail and Infrastructure, Nexus
J Fenwick - Director of Finance and Resources, Nexus
T Hughes - Director of Customer Services, Nexus
H Lewis - Head of Media and External Relationships, Nexus
R McClean - Managing Director, DBTW
V Miller - Democratic Services Officer, Newcastle City Council

Also:

A Pearson - a representative of the media

15. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Blackburn and Maughan.

16. **DECLARATIONS OF INTEREST OF MEMBERS OR OFFICERS**

Councillors Lott, Hanson, Hodson and D Wood declared a personal interest in any potential discussions about concessionary travel as the holders of a concessionary travel pass and also the Gold Card.

17. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 4 November 2010 subject to the indicated below minor amendments were approved as a correct record and signed by the Chair:

Amendments:

(a) Attendance List

The following councillors were present at the meeting: Councillors McElroy (in the Chair), Blackburn, Hodson, Lott, McMillan and Stone.

(b) Minutes of the previous meeting held on 8 September 2010 and an extract from the draft minutes of the ITA held on 23 September 2010

Metro Operation Concession

Car Parking Charges

(Minute 10 refers)

The first sentence of the first bullet point should read “A reference was made to the situation with regard to the car parking charges....”

Matters Arising:

(i) Minutes of the previous meeting held on 8 September 2010 and an extract from the draft minutes of the ITA held on 23 September 2010

(Minute 10 refers)

(a) The Additional Points

It was agreed that if a member of the Committee wished to request a specific subject to be added to the agenda, he would contact the lead officer as soon as possible, who would advise on the most suitable cause of actions, such as whether a report was needed to be prepared. If a report was needed, it would be added to the next available agenda.

(b) Metro Operation Concession

Car Parking Charges

In responding to a member’s question, about whether there was a specific set of criteria which Nexus used to assess the reasonableness of the proposals for increasing car parking charges, K Mackay explained that there were no defined criteria as such but confirmed that it was Nexus who had final approval over proposals made by DBTW in relation to car parking charges, and an assessment was made based on the reasonability of the proposals in circumstances. A member emphasised that it was important to maintain control over changes to parking charges.

In response to the Chair’s suggestion, T Hughes confirmed that the long-term plans included proposals to incorporate parking charges into Metro tickets.

(ii) Quarterly Performance Data

(a) Metro Operating Concession Report

(Minute 11(a) refers)

A member pointed out that there were problems with graffiti at Monument Station and asked whether security could be tightened to prevent this. K Mackay explained that the station was equipped with CCTV but there were limitations to what could be recorded. It was also inefficient to provide continuous supervision by staff. He explained that the

most effective way of dealing with this issue was to remove graffiti quickly. It was noted that the recent coverage of this issue by local media had been disappointing.

(b) Nexus Rail

(Minute 11(b) refers)

In response to a member's question about progress in relation to the issue of the positioning of the electronic advertisement boards at Haymarket Station, it was explained that a risk assessment would be carried out.

(c) APR Report

(Minute 11(c) refers)

A member commented positively on the fact that reports included a glossary. A member requested for the term "VOGR" to be added to the glossary.

18. **QUARTERLY PERFORMANCE REPORT - METRO OPERATING CONCESSION**

Submitted: A report by the Director of Customer Services, Nexus (previously circulated and copy attached to Official Minutes).

T Hughes presented the report which provided information on the performance of Metro services in periods 7, 8 and 9. He highlighted main achievements, including awards and improvements in key customer satisfaction measures, and also the challenges faced by Metro in delivering its services in the winter months. It was noted that the Metro kept providing services even when many other providers ceased to operate. It was also noted that Nexus and DBTW continued working together to understand the implications of the concession contract and address challenging areas of the business. Nexus were pleased with the overall performance by DBTW in their delivery of Metro services.

Questions/Comments/Discussions

- It was explained that in relation to measuring waiting time, the data source had been changed to better reflect the performance. Previously, in periods 3-6, the data had been drawn from the asset management reporting but whilst this had captured several issues it did not show all necessary aspects. For this reason, from period 7 the OPR data had been recalibrated and linked to the internally measured performance in relation to fleet, so that there was a direct link between fleet performance and waiting time. Members were reassured that this performance was under control.
- Further in relation to OPR (excess waiting time for customers and punctuality of first and last trains), it was noted that performance could vary due to a number of reasons, including weather conditions.
- A member queried the Service Quality Regime (SQR Trains) performance for period 8 and whether this issue had been addressed. It was explained that the

cleanliness had been affected by the weather conditions and the associated salt and mud, which involved additional cleaning.

- In relation to Head Count, it was clarified that this measured the number of staff employed by DBTW against the target set as part of the concession contract. There could be a marginal variation which could include vacancies but the obligation was upon the DBTW to employ a certain number of staff. Nexus were responsible for monitoring this. In response to a member's question about the effect of efficiency savings, it was explained that Nexus also monitored the requirement and could suggest relevant updates when necessary. R McClean added that DBTW had internal monitoring processes and monitored progress against the target. He explained that the company was currently recruiting.
- In response to a member's question, K Mackay explained the rationale behind the change in measuring the reliability of trains from timetable-based to headway-based. Measuring the waiting time for a high frequency service was considered to be more appropriate. However, some elements remained timetable-based; for example, first and last trains.
- A member asked what actions had been taken to address the situation in relation to the provision of bus replacement services during a recent incident at Shiremoor. T Hughes explained that there was a difference between planned and urgent disruptions. The planned possessions involved a significant amount of planning with customer being at the heart of this process, which resulted in a high quality service. The incident at Shiremoor, however, had occurred as a result of a cable theft prior to the morning peak and was unexpected. The incident had therefore been difficult to deal with.
- A member queried the situation in relation to the risk to the Metro cars $\frac{3}{4}$ life programme. It was explained that this related to Metro cars undergoing a scheduled refurbishment and often the faults were not fully known until the vehicle had been stripped down. Some of the vehicles were 30 years old and, whilst many continued to deliver a good service, there was a level of depreciation in relation to their life programme. It was explained that there were well managed processes in relation to asbestos and there was no risk to passengers. The only heightened risk was to staff who worked on the affected vehicle and who, therefore, had to adhere to strict control procedures. J Fenwick explained the financial side, indicating that under the concession agreement DBTW were paid from the Capital Programme to refurbish vehicles. If there was an additional cost caused by unexpected degradation, it could be dealt with through a separate financial arrangement. Members were reassured that this matter was under control.
- A member indicated that the ITA worked to reduce the consumption of energy and queried why DBTW's use of high voltage power had increased. To set the background picture, T Hughes explained that performance was specific for each reporting period and could fluctuate between periods. Although the reasons for the increase in this particular period were unknown, the understanding was that DBTW were committed to the agreement to work to reduce the consumption of energy and Nexus monitored this. R McClean confirmed that there was no known reason as to why the energy consumption had shown an increase in this

period but DBTW worked on this issue and improvements were expected. A number of methods, such as the installation of relevant new software, application of particular driving techniques and efficient use of power at stations, had been utilised to drive improvements.

- Members suggested that Nexus and DBTW should work jointly with the organisers of the Great North Run to consider options for assisting runners with ticket purchase, as it had been reported that some people found it difficult to carry cash on the day. T Hughes confirmed that issues in relation to fares remained a responsibility of Nexus and explained that the most efficient way of addressing this was to encourage people to purchase tickets in advance of the race. Nexus and DBTW already assisted the race by ensuring that additional trains were provided on the day to help with the demand. Members suggested that consideration should be given to liaising with the organisers of the race and trying to support the runners.
- Members expressed thanks to residents of Tyne and Wear for their patience and understanding during the closures for the scheduled improvements.
- Members thanked officers at Nexus for their work.
- Members thanked officers at DBTW for their work and especially for maintaining services in adverse weather conditions.

RESOLVED – That:

- (i) the report be noted;
- (ii) officers should liaise with the organisers of the Great North Run to consider possible ways of assisting the runners with ticket purchase.

19. **QUARTERLY PERFORMANCE REPORT - QUARTER 3 2010/11- ASSET RENEWAL PLAN**

Submitted: A report by the Director of Rail and Infrastructure, Nexus (previously circulated and copy attached to Official Minutes).

K Mackay introduced the report which advised members about the performance in relation to the Asset Renewal Plan in Quarter 3 of 2010/2011 and highlighted key issues in relation to the work programme and funding.

K Mackay confirmed that despite the changes in funding, it was envisaged that the plan would be achieved and possibly overachieved.

K Mackay and J Fenwick provided clarification in relation to the reduction in the level of over programming, which should not impact the delivery of the programme.

RESOLVED – That the report be noted.

20. **PUBLIC COMMUNICATIONS (ARP)**

Submitted: A report by the Director of Rail and Infrastructure, Nexus (previously circulated and copy attached to Official Minutes).

K Mackay presented the report which advised members on the engagement and communication between Nexus, partners and users ahead of the comprehensive modernisation work on Metro between Byker and Tynemouth between January and April 2011, as part of the Metro Asset Renewal Programme.

Questions/Comments/Discussions

- In relation to Walkergate Station, it was confirmed that the closure would be a limited closure and passengers would be able to access the station.
- In relation to the issue with the paint at Jarrow Station, it was explained that the paint was not bonding to concrete. The manufacturer would be contacted in attempt to resolve this. A member commented that the station was very dirty and unsightly and needed to be improved.
- In relation to Hylton Street depot, officers explained the work undertaken to engage with residents and provide them with opportunities to get involved into the scheduling of deliveries and works. It was noted that the majority of residents were understanding but there was a small minority of people who were unhappy about the works. Communication with these people continued. In response to a member's suggestion that perhaps the old coach lane down Percy Lane could be used as an alternative route, it was explained that this was not possible. All possible access points had been assessed and the existing route was the best option. Officers continued ensuring as minimal disruptions as possible. Members commended officers for their work on engaging with residents.

RESOLVED – That the report be noted.

21. **METRO CAPITAL PROGRAMME 2011/12**

Submitted: A joint report by the Director of Finance and Resources and the Director of Rail and Infrastructure, Nexus (previously circulated and copy attached to Official Minutes).

K Mackay presented the report which sought members' approval of the Metro Capital Programme for 2011/12, and explained relevant financial scenarios. He explained that the list of schemes attached to the report was draft at present pending the outcome of the 2010/11 programme and that a further report would be submitted to a later meeting.

In response to a member's question about whether the saving of approximately £6m was possible from the draft list of schemes, it was explained that this was possible and needed to be done to maintain the investment within the funding available. The reduction did not necessarily mean a reduction in the outcomes; the reduction meant that there would be pressure to get a better deal from contractors and to deliver other

efficiencies. It was intended to make further progress on these issues during the course of 2011/12.

K Mackay reported that it was intended, as a trial, to carry out works during the Christmas break period. Possibly, the renewal of the junction at South Gosforth could be done during this period. It was also proposed to avoid any blockades in Period 13 but start these from Period 1 in the next year.

RESOLVED – That:

- (i) the recommendation to approve the Metro capital programme for 2011/12 as detailed in Appendix A, totalling £44.7m (this included £1.8m of Ticketing and Gating enabling works Metropolitan Rail Gant funded expenditure), be supported;
- (ii) the Sub-Committee noted that the Metro Capital Programme would be forwarded to the Department for Transport by the end of February 2011, under the terms of the grant offer letter dated February 2010;
- (iii) a further report be provided to the Sub-Committee following the outcome of the 2010/11 programme, ensuring the revised 2011/12 programme was brought within the recommended over-programming levels of 10%, as detailed in the proposal;
- (iv) the Committee noted that the Department for Transport would require the rolling 3 year programme, updated by 30 September 2011, and a further report on this be submitted to the Sub Committee later in the year.

22. DATE AND TIME OF THE NEXT MEETING

Members agreed that at this stage the ITA Metro Sub-Committee should continue working as a separate sub-committee of the ITA but this position would be reviewed.

Members agreed the following dates of the future meetings:

9 June 2011

1 September 2011

8 December 2011

1 March 2012

23. EXCLUSION OF PRESS AND PUBLIC

RESOLVED – That by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 press and public be excluded from the remainder of the meeting due to the likely disclosure of commercially sensitive information.

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Tyne and Wear Integrated Transport Authority Metro Sub-Committee

DATE: 9 June 2011

TITLE: QUARTERLY PERFORMANCE REPORT – QUARTER 4 2010/11 –
ASSET RENEWAL PLAN

REPORT OF: THE DIRECTOR OF RAIL AND INFRASTRUCTURE, NEXUS

Not confidential

District Implications: All Tyne & Wear

1. **Summary / Purpose of Report**

1.1 This is the fourth quarterly report submitted to the Metro Sub-Committee in accordance with the Terms of Reference agreed by the Integrated Transport Authority in May 2010.

2. **Recommendations**

2.1 That Metro Sub-Committee notes this progress report.

3. **Introduction / Background**

3.1 This report covers the period 12 December 2010 to 31 March 2011 (Periods 10, 11, 12 and 13)).

3.2 A glossary of terms used in the attached periodic summary reports follows:

VOWD – value of work done representing the investment incurred and receipted through accounts.

Stage Gate – an eight stage process through which all proposals must pass from pre feasibility to project close out.

ARP – the 11 year Metro Asset Renewal Plan funded by government and local contributors.

RIDDOR – the reporting of work related deaths, major injuries, over three day absences, work related diseases and dangerous occurrences (near miss accidents) under the Reporting of Injuries, Disease and Dangerous Occurrences Regulations 1995.

QSRA – qualitative schedule risk assessment using Monte Carlo analysis, a technique which involves scenario testing over 1000 iterations to get to a predetermined percentage level of probability of delivering a desired outcome.

3.3 This quarter saw Nexus prepare for and deliver the first 'blockade' or 'Major Line Closure' of the Metro re-invigoration programme as planned and on schedule. Steps were also taken to recover works disrupted by severe winter weather in Period 10. There were no RIDDOR-reportable accidents to staff, continuing exceptional performance in this respect.

4. **Highlights & Key Issues**

4.1 **Period 10 Performance**

In period 10, as a result of the significant adverse weather conditions, the site works undertaken were minimal. However, the dynamic process of re-planning was undertaken, aimed at maximising project delivery in 2010/11. Strong focus was applied to the procurement process to ensure that tenders were evaluated, contracts awarded and contractors mobilised in order for the possessions following Christmas to go ahead.

Increased focus was applied to the detailed planning of the upcoming Blockade, and working closely with contractors to put all necessary arrangements in place.

The Nexus organisational changes have been finalised and the re-structure completed. This is aimed at improving both efficiency and effectiveness, within the ARP delivery team.

It is to be noted that the current VOWD figure is not fully representative of progress to date. The invoicing, receipting and accrual of completed works has been sluggish; and the actual quantities of works completed are higher than reported. The revised organisational arrangements, and improved processes, will result in more timely evaluation of completed works and improved clarity of actual and forecast project costs.

4.2 **Moving Forward**

Moving forward, the main focus for activities in Period 11 is:

- Effective delivery of the booked 29 and 54 hour possessions.
- Finalising the detailed planning of the 5No. 54hour Blockade enabling works possessions.
- The establishment of a daily working group which will meet in a 'War Room' environment, aimed at the identification and swift mitigation of Blockade risks.
- The timely award of the remaining contracts for works planned in 2010/11 and immediately after.

4.3 **Period 11 Performance**

In period 11, the main focus was on the preparation for, and planning, the blockade. Procurement activities significantly increased in order to ensure that contracts were awarded as planned. Scope was finalised for the works within the 5 No. pre-blockade 54 hour possessions and the first possession was carried out during the final weekend of period 10.

Significant work with contractors was undertaken to quantify how much of the work lost to inclement weather, and other factors impacting productivity, could be recovered within 2010/11 and to re-schedule these outstanding works.

The planning of the blockade increased and contractor programmes were collated within a master blockade programme. This allowed greater understanding of interfaces between contractors and improved risk identification and mitigation.

The daily blockade working was implemented and has been successful in providing swift identification and resolution of blockade risks and issues.

Although an increase in receipting, and accruing, for completed works was evident, there is still room for further improvement. Therefore, measures have been put in place for weekly monitoring of outstanding commitments and to ensure that the VOWD figure is representative of completed works.

4.4 **Moving Forward**

Moving forward, the main focus for activities in Period 12 is:

- Effective delivery of the remaining 54 hour Blockade enabling works possessions.
- Finalisation of the blockade planning process.
- Confirmation of blockade management arrangements, including roles and responsibilities.
- Focus on management of contractors and contractual arrangements to ensure that blockade works are delivered as planned.
- Continued risk evaluation and mitigation planning.
- Ensure mechanisms for monitoring and reporting blockade progress and productivity are in place including determining accurate VOWD figures.

4.5 **Period 12 Performance**

In period 12, the focus of the organisation moved to the safe and successful delivery of the awarded implementation works. Works were executed within the 5 No. pre-blockade 54 hour possessions including the final enabling possession which was due to be carried out during the final weekend of period 12.

The master blockade programme was finalised and all stakeholders were involved in a daily walkthrough workshop - to inform all parties of the delivery strategy and to identify any interface issues for swift resolution.

In order to improve the efficiency of receipting, and accruing, for completed works, weekly commitments data was issued to all project managers. This contributed to the highest period increase in VOWD to date. This initiative is to be continued to ensure that all completed works are promptly represented within the Nexus financial systems.

4.6 **Moving Forward**

Moving forward, the main focus for activities in Period 13 is:

- Effective delivery of the 23 day Blockade.
- Finalisation of blockade management arrangements, including roles and responsibilities.
- Ensuring systems and processes are in place for accurate and timely year end cost management.

4.7 **Period 13 Performance**

Period 13 was focussed on the safe and successful delivery of the 23 day blockade and station improvement works. In total 11 projects commenced on site in March.

The outputs of the blockade were substantially delivered to programme with final commissioning and handover taking place as planned enabling service to be resumed on 4 April.

A daily conference call and reporting mechanism was put in place to ensure immediate identification of deviation from programme and provide escalation of risks and issues. Additionally controls were employed to ensure authorisation of any changes with could be

Effective processes were implemented to ensure accurate and robust capture and reporting of the value of work done during the blockade.

4.8 **Moving Forward**

Moving forward, the main focus for activities in Period 1 of 2011/12 is:

- Continuation of the post blockade possessions.
- Continuation of station improvements
- Completion of year end reporting activities.
- Capture of lessons learned and initiation of action plans to drive efficiency improvements in project delivery.
- Finalising the 2011/12 Programme

Major Line Closure

4.9 The Major Line Closure between Byker and Tynemouth ran from 12 March to 3 April 2011 with the line re-opening as planned with the first train of Monday, 4

April.

- 4.10 During this blockade Nexus was investing more than £600,000 per day in the comprehensive modernisation of track, infrastructure and technology in this corridor. The series of projects that made up this work represent the major part of £39 million Nexus invested in Metro asset renewal during the 2010-2011 financial year.
- 4.11 At the same time work began on the modernisation of three stations within the blockade area, at Meadow Well, Howdon and Chillingham Road. Work continued on the rebuilding of North Shields station. These works were co-ordinated with the blockade to reduce inconvenience to passengers, and continue as planned in the 2011-12 financial year.
- 4.12 Nexus and its Metro operating concessionaire, DB Regio, took extensive steps to reduce inconvenience to passengers and neighbours during these works, including the provision of a high-frequency replacement bus service. A passenger survey showed that 59% of respondents rated the bus service 7/10 or better.

Nexus received complaints from 24 households regarding noise and light from approximately 3,000m to within 100 metres of blockade works. These were managed through home visits and remedial action with contractors as far as possible.

In preparation for the blockade, five 54-hour (Saturday and Sunday) possessions of the line between Byker and Tynemouth took place in February and March 2011 to allow works such as bridge waterproofing, cable preparation and materials distribution fundamental to the main works of track replacement.

There were also three 29-hour (Sunday only) and one 54-hour possession between South Gosforth and Tynemouth in January 2011. These were used to take forward a number of projects including: replacement of cable and ducting between Longbenton and Shiremoor; renewal of road bridges in the Shiremoor and Whitley Bay areas, and construction of the new footbridge and lifts at Benton station.

During Period 10 severe winter weather caused some disruption to the asset renewal programme, but planning with contractors to re-phase works led to significant recovery during the remainder of the financial year.

The successful delivery of the first major blockade means that, in the 2010/11 financial year as a whole the ARP has delivered 4.6km of plain line renewal, 11km of cable duct route replacement, 20,000 tonnes of new ballast, 14km of power cable replacement, 58.5km of new signalling cable and 27km of new fibre communication cable. The value of this investment was £39.03m – a massive achievement in itself.

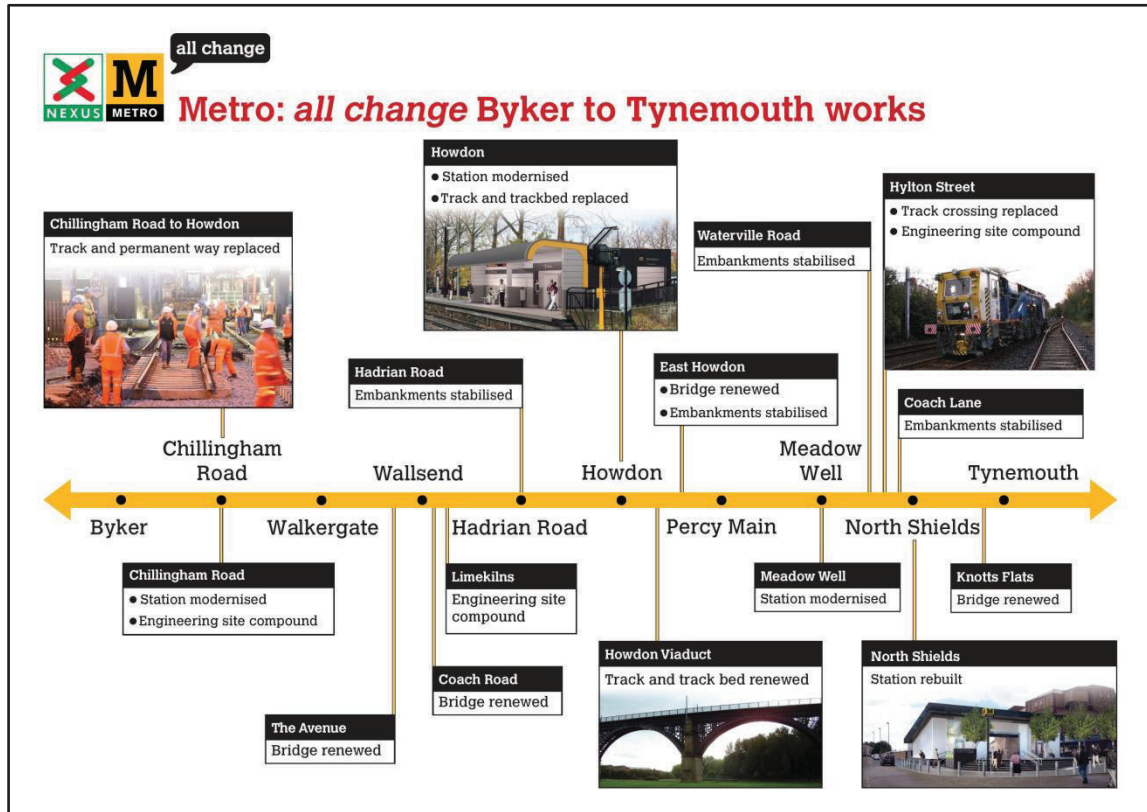
5 Contact Officer (s)

- 5.1 Ken Mackay, Director of Rail & Infrastructure, Nexus (Tel: 0191 203 3241)

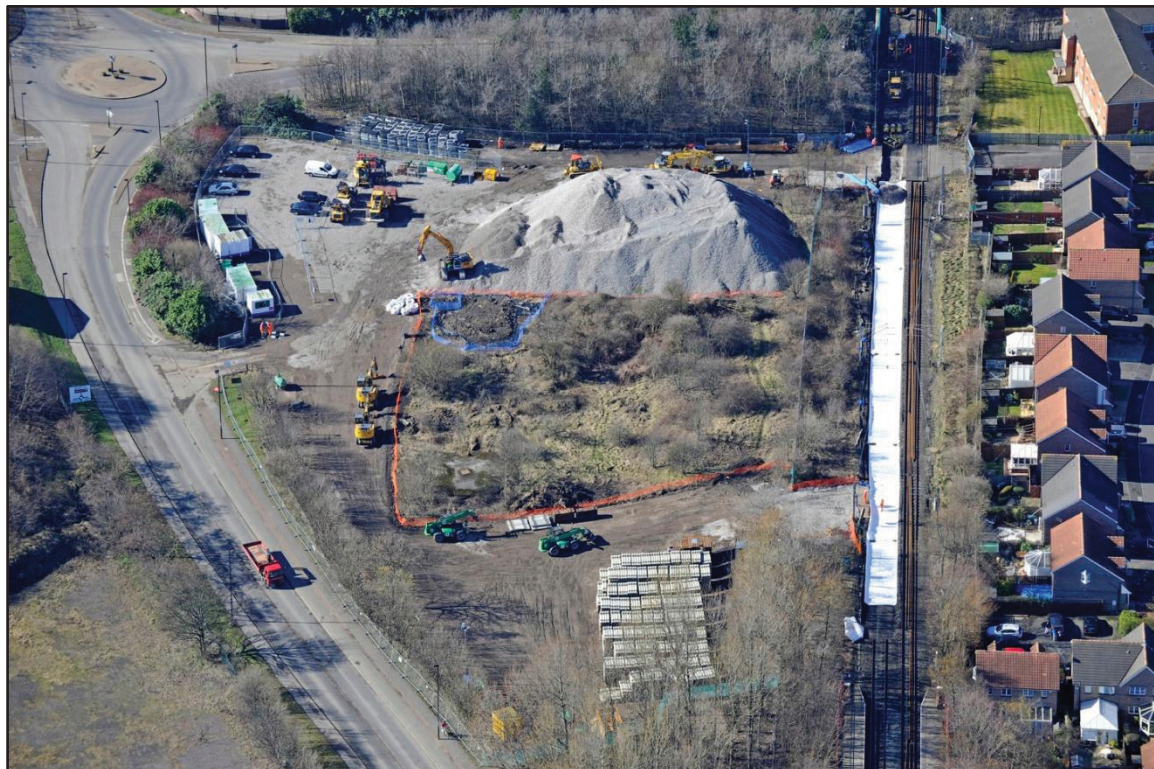
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APPENDIX 1

Metro ARP Works during Quarter 4, 2010-11



1) Summary of works taking place during the March-April 2011 Blockade



2) Aerial photo of the site compound at Limekilns (Hadrian Road) showing ballast 'mountain' and new sleeper piles, and track replacement work.



3) Plain line renewal at Hadrian Road, looking towards Wallsend. The image shows the new ballast and track (the light grey area on the left) compared to the old ballast, where the track has just been removed, on the right. Below – new track



4) Old sections of track are lifted out in one piece at Hadrian Road



5) Old ballast is carried by rail vehicle to the Chillingham Road site compound, for removal to lorry.



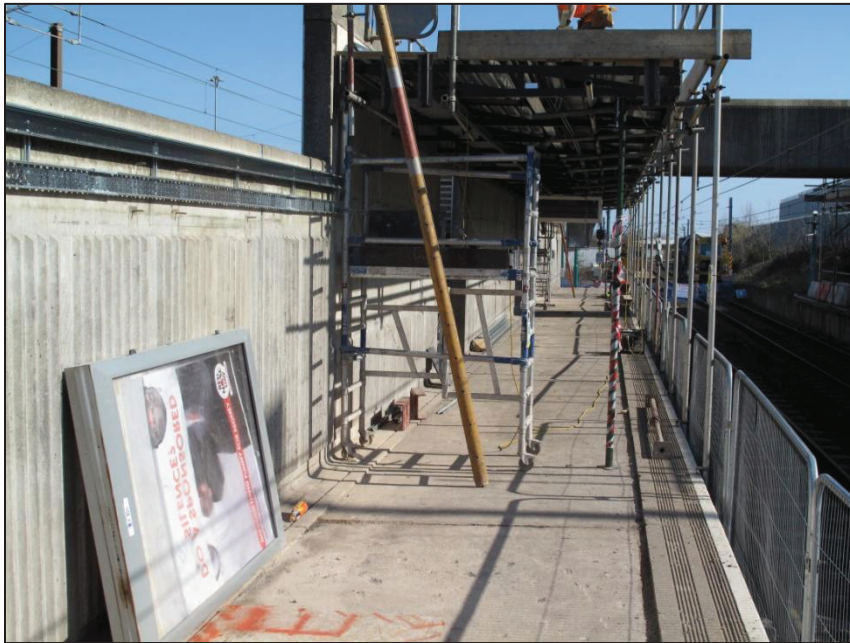
6) Redundant track is unloaded from rail vehicles at Chillingham Road site compound for removal by lorry,



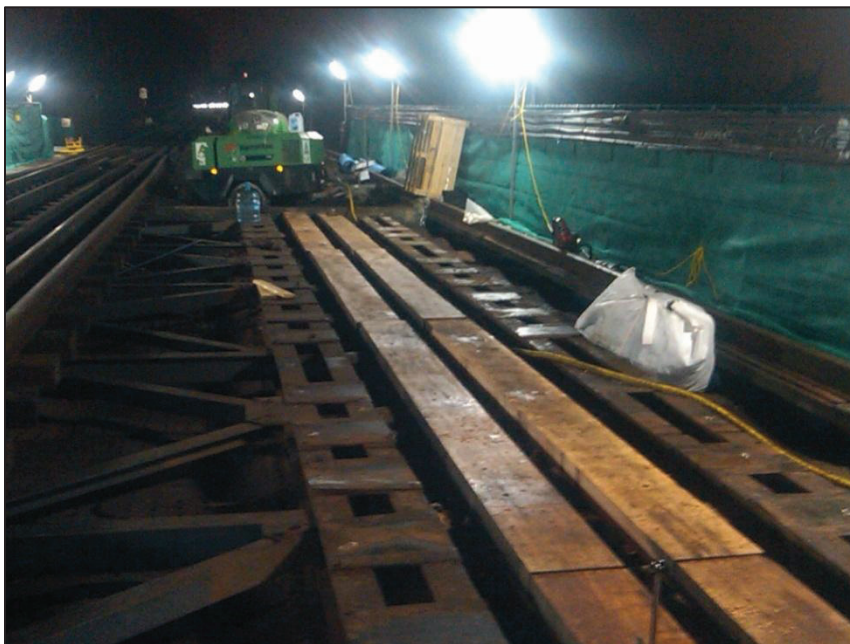
7) North Shields showing demolition of the Platform 2 ramp and foundations. The railway tracks are covered over for their own protection and overhead power lines have been taken down to allow work to take place.



8) North Shields
general view of
demolition work



9) Canopy
replacement at
Chillingham Road.



10)Track
replacement on
Howdon Viaduct



Tyne and Wear Integrated Transport Authority

Metro Sub-Committee

DATE: 9 June 2011

TITLE: QUARTERLY PERFORMANCE DATA – QUARTER 4 2010/11 – METRO OPERATING CONCESSION

REPORT OF: THE DIRECTOR OF CUSTOMER SERVICES, NEXUS

Not confidential

District Implications: All Tyne & Wear

1. Purpose of Report

- 1.1 This is the fourth quarterly report submitted to the Metro Sub-Committee in accordance with the Terms of Reference agreed by the Integrated Transport Authority in May 2010.

2. Recommendations

- 2.1 That Metro Sub-Committee notes this progress report.

3. Introduction

- 3.1 This report covers the period 12 December 2010 to 31 March 2011 (Periods 10, 11, 12 and 13)

- 3.2 A glossary of terms used in the attached periodic summary reports follows:

Concession Agreement – the contract between Nexus and DBTW which governs all transactions and discussions between the two parties.

DBTW – Deutsche Bahn Tyne and Wear Ltd.

EWT (Excess Waiting Time) – the measurement used to calculate punctuality in a high-frequency operation; instead of measuring adherence to timetable, the measurement looks at the number of minutes a passenger is kept waiting above a reasonable threshold.

Failure – an occasion where the operator did not succeed in meeting its performance criteria on a specific occasion, resulting in a penalty being applied.

Major Line Closure – a significant possession, leading to a long section of track being unavailable for normal passenger service over an extended time period.

OPR – Operational Performance Regime; the means by which train service performance is measured in terms of excess waiting time for customers and punctuality of first and last trains.

Possession – a period of time when engineering works take place on a section of track, preventing normal passenger service from being provided.

SQR – Service Quality Regime; the means by which quality standards on stations and trains is measured

4 Highlights & Key Issues

- 4.1 Extreme weather continued over the first part of the period with conditions easing over the second part of the period which enabled services to return to virtually normal. The ability of the Metro to keep running when other modes couldn't was widely recognised, including in a skit broadcast on local BBC radio.
- 4.2 Nexus granted 'Force Majeure' relief under the terms of the Concession Agreement for a number of days over the periods being reported on, to reflect that extreme weather had inhibited the ability of the operator to meet its contracted performance targets.
- 4.3 Metrocar cleanliness was variable over the periods being reported on: the cleanliness of the floors was impacted by the treading in of grit during the icy conditions; and DBTW changed its cleaning contractor during this time, leading to a worsening of performance by the outgoing contractor.
- 4.4 Work on the Asset Renewal Plan began to scale up significantly during the periods being reported on, culminating in the Major Line Closure between Byker and Tynemouth in March 2011. DBTW assisted Nexus with the planning process. The successful management of customers during the disruption, including bus replacement services and information campaigns, attracted positive comment from many customers.
- 4.5 Through the bidding process DBTW had committed to delivering 40 Committed Obligations in the first year, many of them customer-facing enhancements. 37 of them were completed to Nexus's satisfaction, and a time extension was granted on 2 others for reasons beyond DBTW's control. This is an excellent achievement.
- 4.6 Under the Metrocar $\frac{3}{4}$ Life Refurbishment Project (which DBTW is delivering on Nexus's behalf), the first Metrocar was examined in detail. Under the Concession Agreement five Metrocars will be 'stripped down' in order to make a balanced assessment over the levels of work that will need to be carried out on

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the remainder of the fleet.

- 4.7 The BBC filmed 'Metro: the Musical' at locations around the system, and the film was premiered at the Sage on 24th March. A significant amount of free publicity and customer awareness was generated as a result.
- 4.8 Members are requested to note that for future meetings it is intended to produce a consolidated appendix that summarises performance and key issues across the entire period being reported on, rather than on a month-by-month basis.

5 Contact Officer (s)

- 5.1 Tobyn Hughes, Director of Customer Services, Tel: 0191 203 3246

APPENDIX A: METRO OPERATING CONCESSION FLASH REPORTS

| PERIOD 10 (12/12/2010- 08/01/2011) | Status | Trend (versus last period) | |
|---|---------------|---|---|
| OPR-(Excess Waiting Time) | n/a | n/a | The results for period 10 could not be finalised at this stage as discussions regarding allocation of EWT were ongoing. |
| SQR – Stations | Red |  | Overall total number of failures increased to 133 (from 105 in period 9) mainly due to a significant increase in slips and trips (up 13) which were weather related. |
| SQR – Trains | Red |  | Train failures increased to 154 failures in period 10, compared to 126 in period 9. The increase was due to failures in both internal and external cleanliness. |
| Fleet – Ave km per fault | Red |  | Fleet reliability causing excess headway of 4 minutes and above improved significantly compared to last period as the number of trains stopped at the depot decreased. |
| Fraud Rate (compared to target) | Green |  | The rate for period 10 is 4.3%, versus 4.6% in period 9. |
| Head Count (versus target) | Amber |  | Numbers at 509 while below the revised target of 510.6 are an improvement on last period. |
| Passenger Accidents (trend) | Red |  | The number of passenger accidents in period 10 fell to 17 of which 5 were reportable under RIDDOR; This compares to 32 accidents in P9 mainly due to the severe winter weather. |
| Passenger Assaults (trend) | Amber |  | In period 10 eight assaults occurred (one of which was racially motivated) compared with 7 in period 9. All incidents were reported to the police resulting in some arrests. |

Executive Summary:

- Highlights from the Period include :-









Extreme weather continued over the first part of the period with conditions easing over the second part of the period which enabled services to return to virtually normal. The ability of the Metro to keep running when other modes couldn't was recognised in a skit broadcast on local BBC radio.

Discussions over whether the operator was entitled to relief under the Force Majeure clauses of the Concession Agreement were held during this period.

The increase in SQR failures was due to the extreme weather. Failures in cleanliness of the trains were caused by the freezing of the wash plant and treading in of grit. Steam cleaners have been bought to resolve this.

The new timetable was successfully introduced on December 12th, although some issues arose over the late posting of timetable posters at some stations.

A productive discussion with disability groups regarding options for the new layout of refurbished metrocars took place at St. James station.

| PERIOD 11 (09/01/2011- 05/02/2011) | Status | Trend (versus last period) | |
|---|---------------|---|---|
| OPR-(Excess Waiting Time) | Green |  | The results for period 11 showed a daily average excess waiting time of 12.03 minutes compared to 15.59 in P10, 17.57 in p9 and 13.42 in P8. |
| SQR – Stations | Red |  | Overall total number of failures increased slightly to 135 (from 133 in period 10) mainly due to a significant increase in heavy cleaning failures. |
| SQR – Trains | Red |  | Train failures increased to 170 failures in period 11, compared to 154 in period 10. This is the largest number since the first period after the regime went live. The increase was mainly due to failures in internal cleanliness that resulted from the treading in of grit from stations and their approaches. |
| Fleet – Ave km per fault | Red |  | Fleet reliability causing excess headway of 4 minutes and above improved significantly compared to last period. |
| Fraud Rate (compared to target) | Red |  | The rate for period 11 is 5.1%, versus 4.3% in period 10. |
| Head Count (versus target) | Green |  | Numbers at 514 are above for the first time the revised target of 510.6. |
| Passenger Accidents (trend) | Red |  | The number of passenger accidents in period 11 increased to 20 of which 6 were reportable under RIDDOR. |
| Passenger Assaults (trend) | Red |  | In period 11 eighteen assaults occurred, the highest to date compared with 8 in period 10. All incidents were reported to the police and 12 offenders were arrested. |

NOTE: Under the Local Government (Access to Information) Act 1985 members of the public have a right to inspect any non-confidential background papers used in the production of a non-confidential report to the Authority. Requests for information should be made to the Department originating the report.

Executive Summary:

- Highlights in the Period include :-

Services fully returned to normal this period after the weather-related disruption that had impacted performance over previous periods.









Nexus granted Force Majeure relief under the terms of the Concession Agreement for a number of days over the two previous periods, to reflect that extreme weather had inhibited the ability of the operator to meet its contracted performance targets.

An increase in SQR train failures occurred resulting from the treading in of grit and dust and failure to complete steaming cleaning of the floors.

Increased levels of fraud were in part of result of DBTW staff being diverted to the clearing of ice at stations

Detailed preparation for customer service aspects of the upcoming Major Line Closure took place, including bus replacement services, staffing levels, revenue protection duties and ticket sales.

DBTW reached agreement with Network Rail over the start time of engineering works, to allow for the running of additional late trains to serve customers travelling home from the 'Take That' concerts at Stadium of Light.

| PERIOD 12 (06/02/2011- 05/03/2011) | Status | Trend (versus last period) | |
|---|---------------|---|--|
| OPR-(Excess Waiting Time) | Amber |  | The results for period 12 showed a daily average excess waiting time of 13.65 minutes compared to 12.03 in P11. |
| SQR – Stations | Green |  | Overall total number of failures decreased to 120 (from 133 in period 11) mainly due to a significant reduction in the number of heavy cleaning failures |
| SQR – Trains | Green |  | Train failures decreased to 130 failures in period 12, compared to 172 in period 11. The decline was largely due to a significant decrease in interior cleanliness failures, with the number being at its lowest level since Period 9. |
| Fleet – Ave km per fault | Red |  | Fleet reliability was broadly comparable to last period. |
| Fraud Rate (compared to target) | Green |  | The rate for period 12 is 3.9% versus 5.1% in period 11. |
| Head Count (versus target) | Amber |  | Actual Number of 509 is slightly below the revised target of 510.6 |
| Passenger Accidents (trend) | Red |  | The number of passenger accidents in period 12 reduced to 18 from 20 in period 11 of which 8 were reportable under RIDDOR. Escalators remain the main cause |
| Passenger Assaults (trend) | Red |  | In period 12 thirteen assaults occurred, compared with 18 in period 11. |

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Executive Summary:

- Highlights in the Period include :-

5 very poor days of operational performance during this period led to overall performance for the period being worse than last year despite several days of exceptionally good performance.

This was in part compensated for by improved appearance of both the trains and stations.










The period saw 4 weekends affected by 54 hour possessions as work on the Asset Renewal Plan began to scale up. DBTW were very accommodating in the planning process, agreeing to possessions at short notice.

DBTW were recognised for their 'My Metro' staff engagement programme at the North East CIPD awards ceremony.

There was a major incident at Pallion when an altercation between youths on a platform resulted in a serious assault. This incident is under investigation by the BTP and Northumbria police forces.

Filming of the BBC "Metro the Musical" took place at locations around the Metro system.

In the Metrocar ³/₄ Life Refurbishment Project, discussion took place over the results of the detailed investigation of the first Metrocar. Under the Concession Agreement five Metrocars will be 'stripped down' in order to make a balanced assessment over the levels of work that will need to be carried out on the remainder of the fleet.

| PERIOD 13 (06/03/2011- 31/03/2011) | Status | Trend (versus last period) | |
|---|---------------|---|--|
| OPR-(Excess Waiting Time) | Green |  | The results for period 13 showed a daily average excess waiting time of 11.35 minutes compared to 13.65 in P12. |
| Charter punctuality | Green |  | Charter punctuality improved in period 13 with a figure of 88.86%, compared to 85.94% in P12. |
| SQR – Stations | Red |  | Overall total number of failures increased to 124 (from 118 in period 12) mainly due to a significant increase in the number of heavy cleaning failures |
| SQR – Trains | Red |  | Train failures increased to 150 failures in period 13, compared to 130 in period 12. This was due in part to a significant increase in the number of interior and exterior cleaning failures in this period. |
| Fleet – Ave km per fault | Red |  | Fleet reliability declined compared to last period. However this may reflect the reduced mileage run during the Major Line Closure rather than being a true reflection of performance |
| Fraud Rate (compared to target) | Green |  | The rate for period 13 is 3.5% versus 3.9% in period 12. |
| Head Count (versus target) | Red |  | Actual Number of 501 is a significant drop from last period .Recruitment is in hand. |
| Passenger Accidents (trend) | Amber |  | The number of passenger accidents in period 13 reduced to 13 from 18 in period 12 of which 3 were reportable under RIDDOR. |
| Passenger Assaults (trend) | Green |  | In period 13 four assaults occurred, compared with thirteen in period 12. |

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1. Executive Summary:

- Highlights in the period include:

The period saw the first Major Line Closure with the arrangements for customer service in terms of alternative bus and train services, assistance and publicity receiving much favourable comment. It is worth specifically highlighting that volunteers from Nexus and DBTW helped provide customer assistance over the first 3 days.

Overall this was a good period for operational performance, hindered by a small number of major disruptions in particular due to cable theft at North Shields.

The appearance of both the trains and stations was affected by the transition to a new cleaning contractor but this should be rectified next period.

The period saw a relatively low level of passenger accidents and assaults.

An energy saving trial commenced, involving switching off escalators at times of low demand and at stations with low off-peak footfall.

The BBC's "Metro the Musical" was premiered on 24th March at the Sage.

Discussions took place between Nexus and DBTW over the OPR. A 'recalibration exercise' to accurately establish performance targets using actual results from the first year (as opposed to estimates calculated to facilitate the bidding process) was included in the Concession Agreement. It was agreed that the results of the recalibration exercise would be retrospectively applied to year one performance, in order to more accurately reflect operational performance. It was agreed that an adjustment to penalty payments made in year one would be made.

Discussions were held over levels and hours of gateline staffing when automatic ticket gates are implemented through the Ticketing & Gating project.

37 of 40 Committed Obligations due to be completed this year were signed off (with a time extension on 2 for reasons beyond DBTW's control), an excellent achievement.

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