



Tyne & Wear ITA - Metro Sub Committee

Meeting to be held: Committee Room, Civic Centre, Newcastle upon Tyne, NE99 2 BN
on Thursday 4 November 2010 at 10.30 am

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The agenda and minutes for this Committee are also available on the ITA website at
www.twita.gov.uk

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1. **Apologies for absence**

2. **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

3. **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** 1 - 8

4. **Quarterly Performance Data**

Report by the Director of Rail and Infrastructure, Nexus

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the Provisions of the Local Government (Access to Information) Act 1985.

5. **Date and Time of the Next Meeting**

Thursday, 17 February 2010 at 10am.

6. **Exclusion of Press and Public**

7. **Metro Farebox Income**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the Provisions of the Local Government (Access to Information) Act 1985.

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

8 September 2010
(10.00 - 11.50 am)

Present:

Councillor: D Wood (Chair)

Councillors: Lott, McElroy and Stone

IN ATTENDANCE

B Garner	Director General of Nexus
J Fenwick	Director of Finance and Resources, Nexus
K Mackay	Director of Rail and Infrastructure, Nexus
R McClean	Managing Director, DBTW
R Johnstone	Nexus Rail Director, Nexus
H Martin	Rail Procurement Director, Nexus
V Miller	Democratic Services, Newcastle City Council

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Maughan, Hodson, Scott and Blackburn.

2. DECLARATIONS OF INTEREST OF MEMBERS OR OFFICERS

Councillors Lott and D Wood declared a personal interest as holders of a concessionary travel pass.

3. QUARTERLY PERFORMANCE DATA

Submitted:

(i) Report by the Director of Rail and Infrastructure, Nexus (previously circulated and attached to Official Minutes);

(ii) Possession Plans 2010/11 (due to the timetables involved, with the permission of the Chair circulated at the meeting and attached to Official Minutes).

K Mackay, H Martin, R Johnstone and R McClean spoke to the report, which provided performance information for the Metro Operating Concession, Nexus Rail and Metro Asset Renewal Programme.

The Director General explained that the performance data provided in the reports dealt with operational and engineering performance of DBTW and Nexus Rail. The aspect of performance, which was not included in the public reports, related to market performance with regard to fares income, market shares and overall financial management of the concession. He considered much of this as commercially confidential but had prepared a pilot report to be considered in the confidential section of the agenda, which he felt would support the reviewing role of the Authority, whilst protecting the commercial confidentiality of the contractual relationships between Nexus, the Department for Transport and DBTW and Metro's position in the commercial market place. The Committee agreed to receive this report under the confidential section of the agenda.

Questions/Comments

1. Metro Operating Concession

- In response to a member's question, K Mackay confirmed that members would, as on this occasion, be informed at the earliest opportunity of any Improvement Notices served upon Nexus which could impact on service delivery.
- With regard to the Metro Operating Concession contract, H Martin and R McClean confirmed that there were no major areas of concern that were outstanding. Work was currently ongoing to clarify various details, including the allocation of responsibilities, and building successful working relationships between DBTW and Nexus.
- Members noted improvements in terms of cleanliness and an increased presence of uniformed staff at gates and on trains.

2. Nexus Rail

- Members noted the operating particulars of the signalling system.
- A member queried the forecasting of Staff Accidents. R Johnstone explained that the forecasting was linked to the previous year's figure and incorporated projected gradual improvements.
- In respect of the 27 June 2010 incident (Summary of Major Incidents), it was confirmed that DBTW were recovering cost from the driver's insurance. Members suggested that the results should be included in future reporting and be published.
- A member queried the operational particulars of the CCTV system on Metro, including staffing, capacity and capabilities. It was confirmed that on a number of occasions the system had contributed to resolving crime.

- Members questioned the planning around possible industrial actions. K Mackay outlined Nexus' position and indicated that the impact would depend on the scale of action and could vary significantly. He reassured members that the long-term funding that had been secured from Nexus minimised the chance of an industrial action taking place. It was confirmed that if Nexus were unable to provide network due to an industrial action, they would still be contracted to pay to DBTW.

3. Metro Asset Renewal Plan

Possession Plans

- In response to members' queries, it was confirmed that:
 - work was ongoing with local communities to keep them involved and informed about the scheduled works;
 - the preparation for a possession plan included cooperation with major partners, including the Police;
 - bus replacement services would be put in place to support all possession plans;
 - longer possessions allowed more efficient engineering programmes to be developed and provided better value for money.
- The Committee noted that there were teams of professionals, including partner organisations, working to ensure that all possession plans and associated elements were well co-ordinated and managed. All major possessions were subject to rigorous forward planning.
- Members recommended that a high level of attention should be given to communication with the public and also to the provision of a suitable, high quality replacement service of a good capacity.

RESOLVED – That the progress information be noted.

4. REVIEWING THE OUTPUTS OF PROJECT ORPHEUS

Submitted:

(i) Report by the Director General of Nexus (previously circulated and attached to Official Minutes);

(ii) Project Orpheus Corridor Recommendations (with the permission of the Chair, due to timetables involved, circulated at the meeting and attached to Official Minutes).

B Garner presented the report reminding members about the outcomes of Project Orpheus in 2004 and recommending an update of the Project outcomes in line with the development of a long-term strategy for Metro.

RESOLVED – That:

- (i) the approval be given to a refresh and update of the Project Orpheus;
- (ii) the Tyne and Wear Authorities be advised about the intention to commence the refresh and update of the Project Orpheus to assist in the development of a long-term strategy for Metro;
- (iii) consideration be given to applying a consistent Tyne and Wear approach when researching funding opportunities for options to extend the catchment of Metro;
- (iv) further updates be brought to the Committee.

5. DATE AND TIME OF THE NEXT MEETING

The date and time of the next meeting would be agreed at a later date.

6. EXCLUSION OF PRESS AND PUBLIC

RESOLVED – That, by virtue of paragraphs 3 and 4 of part 1 of Schedule 12A of the Local Government Act 1972, press and public be excluded from the consideration of the Metro Fares report.

7. METRO FARES

Submitted: Report by the Director of Rail and Infrastructure, Nexus and Director of Finance and Resources, Nexus (due to the timetables involved, with the permission of the Chair circulated at the meeting and attached to Official Minutes).

K Mackay, H Martin and J Fenwick presented the report, which sought members' views on a presentation format which aimed to give adequate information to the Committee to provide assurance of fiscal prudence, whilst maintaining the commercial confidentiality that was essential with regard to Nexus' contractual relationships with the Department for Transport and DBTW and Metro's position in the commercial market place.

The Committee noted the current position and opportunity to critically review Metro fares.

In response to a member's suggestion, it was confirmed that Nexus bought a bigger marketing resource and planned further marketing campaigns to encourage growth of Metro fare revenue. Marketing campaigns should also help to overcome risks associated with the large blockade scheduled for the Metro improvement works, which represented a risk to the achievement of fare revenue targets. It was also noted that the annual review of fares would take place in November 2010, as normal.

The Committee accepted the suggested format of reporting.

RESOLVED – That:

- (i) the report be noted;
- (ii) further updates be provided to the Committee in a similar format.

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Tyne and Wear Passenger Transport Authority

Extract from the Draft Minutes of the Tyne and Wear Passenger Transport Authority held on 23 September 2010

54 **Draft Minutes of the 8 September 2010 meeting of the Metro Sub-Committee (for information)**

Submitted: The Draft Minutes of the Metro Sub-Committee held on 8 September 2010 – for information (previously circulated and attached to Official Minutes).

B Garner and J Fenwick made the following observations:

- In relation to the Quarterly Performance Data report (Minute 3), B Garner emphasised the constraints on reporting performance data to the Metro Sub-Committee in such a way as to strike a balance between providing enough data to enable the Committee to fulfil its role as a monitoring body and protecting the commercially sensitive data of the operators. He indicated that this matter had been discussed in detail and should be fully outlined in the minutes.
- In relation to the Metro Operating Concession report (Minute 3), J Fenwick indicated that the minute should outline the discussion around the increase in car parking charges.
- In relation to the Nexus Rail report (Minute 3), the minute should include an explanation that, if the industrial action was initiated by the DBTW staff, Nexus would not be liable to make payments to DBTW under the terms of the Concession Agreement unless force majeure could be argued, in which case other provisions existed to safeguard Nexus' interests.

A member advised that Councillor Scott's apologies should be added to the list of apologies.

RESOLVED – That the draft minutes of the 8 September meeting of the Metro Sub-Committee and the additional comments made at this meeting be noted.

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