



Tyne and Wear Integrated Transport Authority

Annual Meeting

Meeting to be held on Thursday 23 May 2013 at 10.00 am in a Committee Room, Civic Centre, Newcastle upon Tyne

Membership: To be confirmed

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This agenda is available at www.twita.gov.uk

AGENDA

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1. **Appointment of Chairman**
2. **Apologies for absence**
3. **Declarations of Interest of Members or Officers in any matter to be discussed at the meeting**

(If any Member has a personal or prejudicial interest, please complete the appropriate form and hand this to the Democratic Services Officer before leaving 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.

4. **Membership of the Authority 2013/14**

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. **Appointment of Vice-Chairmen**
 - (a) **Appointment of Statutory Vice-Chairman**
 - (b) **Appointment of Other Vice-Chairmen**

- 6. Allocation of areas of responsibility of Lead Members**
- (a) **Economic Development and Regeneration**
 - (b) **Addressing Climate Change**
 - (c) **Supporting Safe and Sustainable Communities**
 - (d) **Freight and Taxi Trade**
- 7. Appointment of Leader of Opposition**
- 8. Review of Corporate Governance Arrangements** **1 - 6**
- 9. Appointment of committees and working groups and their membership for the Municipal Year 2013/14; and appointment of representatives to serve on outside bodies for the Municipal Year 2013/14**
- 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.
- 10. Calendar of meetings 2013/14** **7 - 8**
- 11. Minutes of the Previous Meeting** **9 - 22**
- 12. 2013/14 Metro Capital Programme** **23 - 36**
- 13. Officer Governance Arrangements** **37 - 42**

ITEMS FOR INFORMATION

- 14. General Policy Update** **43 - 58**
- 15. Tyne Pedestrian and Cyclist Tunnels (TPCT) - Phase 3 Improvements Works Update** **59 - 64**
- 16. 2012/13 Capital Programme - Outturn Review** **65 - 76**
- 17. Date and Time of the Next Meeting**

Thursday, 25 July 2013 at 10am.

- 18. Exclusion of Press and Public**

Exclusion of Press and Public under section 100A and Schedule 12A of the Local Government Act 1972 because exempt information is likely to be disclosed and the public interest test against disclosure is satisfied.

CONFIDENTIAL ITEMS

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| 21. | The potential establishment of a Combined Authority | 81 - 92 |

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DATE: 23 MAY 2013

SUBJECT: REVIEW OF CORPORATE GOVERNANCE ARRANGEMENTS

REPORT OF: THE CLERK AND THE LEGAL ADVISER AND MONITORING OFFICER

PURPOSE OF REPORT

The purpose of this report is to advise the Authority that a review of its corporate governance arrangements has been carried out.

RECOMMENDATIONS

The Authority is recommended to note the outcome of the review of its corporate governance arrangements and agree the minor amendments to the Scheme of Delegations and the Terms of Reference for the Audit Committee as set out in paragraphs 4.1 and 5.1 of this report.

BACKGROUND DOCUMENTS

Held by Legal Adviser and Monitoring Officer on file OOC-5177

1. Standing Orders – effective from 1 July 2012
2. Delegations to Officers (Excluding Specific Delegations Conferred by Standing Orders or Financial Regulations) – effective from 31 May 2012
3. Standards Committee – Terms of Reference – effective from 1 July 2012
4. Audit Committee – Terms of Reference – effective from 1 July 2012

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IMPACT ON OBJECTIVES

To support economic development and regeneration	Neutral
To address climate change	Neutral
To support safe and sustainable communities	Neutral

1 Executive Summary

- 1.1 The purpose of this report is to advise the Authority that a review of its corporate governance arrangements has been carried out.

2 Introduction and Background

- 2.1 In 2003, the Audit Commission reported on the Authority's corporate governance arrangements. It included a recommendation that the Authority should undertake regular reviews of its Standing Orders, Scheme of Delegations and the Terms of reference of the then Standards and Audit Committee. These reviews have therefore been undertaken annually since 2005 and reported to the Authority.
- 2.2 From 1 July 2012, the Standards and Audit Committee was reconstituted into two separate committees: a Standards Committee and an Audit Committee.
- 2.3 Officers have carried out a review again this year to ensure that the relevant documents remain up to date and appropriate.

3 Standing Orders

- 3.1 Officers consider that these remain satisfactory.

4 Scheme of Delegations

- 4.1 Officers consider these remain satisfactory save for a number of consequential amendments, primarily in relation to the Authority's arrangements for dealing with standards allegations. A copy of the amended delegations is attached.

5 Terms of Reference for Standards Committee and Audit Committee

- 5.1 Officers consider that the current terms of reference for Standards Committee remain satisfactory. The only change required so far as the Audit Committee is concerned is the removal of a reference to the "Value for Money self-assessment". Such self assessments are no longer required.

6 Financial Regulations

- 6.1 Again, officers consider that no changes are required to the Financial Regulations.

7 Next Steps

- 7.1 The Standing Orders, Scheme of Delegations and the Terms of Reference of the Standards Committee and the Audit Committee will be reviewed again in 2014.

8 Potential impact on objectives

Neutral



Tyne and Wear Integrated Transport Authority

DELEGATIONS TO OFFICERS (EXCLUDING SPECIFIC DELEGATIONS CONFERRED BY STANDING ORDERS OR FINANCIAL REGULATIONS) EFFECTIVE FROM 23 MAY 2013.

GENERAL INSTRUCTIONS

1. The exercise of delegated powers by officers shall be in conformity with the policies of the Authority, its Standing Orders and Financial Regulations and any budgetary constraints applying from time to time.
2. Officers shall be accountable to Members for their actions under these delegations and shall be under a duty to consult with other appropriate Officers of the Authority before acting under delegated powers.
3. Where it might reasonably be considered that any matter is of such a nature that Members should deal with it, it shall be referred to the Clerk who shall advise on the course of action to be followed.
4. Each officer of the Authority shall make appropriate arrangements for the daily routine management, supervision and control of services or functions provided by them or through their Departments.
5. The actions of officers under delegated powers shall be deemed to be acts of the Authority.
6. Any delegation issued to an officer may in his absence be exercised by a sufficient deputy.

DELEGATIONS TO THE CLERK

1. To provide comprehensive advice to the Authority on the implications for Tyne and Wear of all aspects of transport policy at local, regional, national and international levels together with related matters.
2. To approve the attendance of members at conferences and seminars following consultation with the Chairman and to authorise the payment of travelling and subsistence allowances in connection therewith.

DELEGATIONS TO THE DEPUTY CLERK AND TREASURER

1. To effect the proper administration of the Authority's financial affairs in accordance with Section 73 of the Local Government Act 1985.
2. To sign certificates under Regulation 7 of the Local Authorities (Contracts) Regulations 1997 on behalf of the Authority.
3. To provide comprehensive administrative services for the Authority.
4. To certify on behalf of the Authority claims for grant, including acceptance of any terms and conditions, from Central Government (for example under s31 local Government Act 2003) or from other organisations.
5. To co-ordinate the Service Level Agreement with Newcastle City Council on behalf of the Authority.

DELEGATIONS TO THE LEGAL ADVISER

1. To provide comprehensive legal services to the Authority.
2. To exercise the duties of Monitoring Officer under Section 5 of the Local Government and Housing Act 1989 (reports relating to contraventions of any enactment or rule of law or maladministration after an investigation by the Ombudsman) and in accordance with the Authority's Arrangements for dealing with standards allegations against members under the Localism Act 2011.

DELEGATIONS TO THE PERSONNEL OFFICER

1. To arrange for the provision of appropriate advice to the Authority on employment matters, including where necessary employment related health and safety advice.
2. To authorise the implementation of staffing, pay and grading proposals (including payment for temporary additional duties) for ITA employees for which appropriate financial provision has been made.
3. To authorise amendments to conditions of service of employment.
4. To determine applications for redundancy, retirement and early release of pension benefits in conjunction with the Deputy Clerk and Treasurer.

DELEGATIONS TO THE NEW TYNE CROSSING PROJECT DIRECTOR

1. The following decisions in relation to the New Tyne Crossing:
 - (a) urgent decisions (after consultation with the Chair) which because of their urgency cannot otherwise be made by the Authority or the Delegated Committee
 - (b) decisions that are complementary to the Authority's strategic decisions in relation to the New Tyne Crossing and/or in line with the commitment to support the project (subject to any such decision being reported to the Delegated Committee for information).

All such decisions to be made in accordance with the Authority's standing orders and financial regulations.

- (c) waiver of the deduction of penalty points under Performance Standard PS5.Target C of the Project Agreement equivalent to penalty sums of up to £5,000 in any calendar month where the Project Director is reasonably satisfied the reason for the non-compliance lies beyond the direct control of the Concessionaire.
- (d) detailed variations of the Project Agreement, as proposed on behalf of the ITA, where those variations may involve a cost to the ITA, provided such cost is not likely to exceed £25,000 for any single variation and that each variation shall be reported to the next appropriate meeting of both the Project Board and the ITA for information.

Provided that neither (c) nor (d) shall be exercised without the Project Director first consulting the Chair of the ITA (or in his absence one of the Vice-Chairs) and the Deputy Clerk and Treasurer.

2. To act as the ITA nominated representative under the Project Agreement with TT2 and to discharge all that representative's functions under that Agreement.
3. To oversee the contractual arrangement with TT2 for the operation of the Tyne Tunnel (comprising the vehicle, pedestrian and cyclist tunnels) and to arrange for the provision of advice on any matter pertaining to that operation.
4. To provide advice and lead on all matters pertaining to the New Tyne Crossing on behalf of the Authority.

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ITA Chairman and Vice-Chairmen's pre-agenda meeting	ITA Meetings	ITA Policy Seminars Away Day Annual Inspection and Tour
10am on 3 rd Monday, bi-monthly, Nexus House	10am on 4 th Thursday, bi-monthly, Newcastle Civic Centre	9.30am on 4 th Thursday in the month when the ITA does not meet, Nexus House or Newcastle Civic Centre or on site
	23 May 2013 - Annual Meeting	June 2013 (to be confirmed) - Away Day, Newcastle Civic Centre
15 July 2013	25 July 2013	29 August 2013 – Annual Inspection and Tour (details to be confirmed)
16 September 2013	26 September 2013	24 October 2012
18 November 2013	28 November 2013	
13 January 2014	23 January 2014	27 February 2014
17 March 2014	27 March 2014	24 April 2014
	22 May or 29 May 2014 - Annual Meeting	

ITA Metro Sub-Committee
Thursday, 4 meetings a year, Newcastle Civic Centre
Thursday 11 July 2013 at 9am
Thursday 7 November 2013 at 10.30am
Thursday 6 February 2014 at 10.30am
Thursday 3 April 2014 at 10.30am

ITA Audit Committee
2pm, 3 meetings a year, Newcastle Civic Centre
Friday 5 July 2013
Wednesday 18 September 2013
Friday 21 February 2014

ITA Standards Committee
Following the conclusion of the Audit Committee, 3 meetings a year, Newcastle Civic Centre
Friday 5 July 2013
Wednesday 18 September 2013
Friday 21 February 2014

ITA Scrutiny Advisory Group1pm on 2nd Thursday, 4 meetings a year

11 July 2013 (Newcastle Civic Centre)

10 October 2013 (Gateshead, Civic Centre)

9 January 2014 (Sunderland Civic Centre)

10 April 2014 (South Tyneside Town Hall)

ITA Tyne Tunnels Working Group

10am on Friday, 4 meetings a year, TT2 Management Building

7 June 2013

13 September 2013

13 December 2013

14 March 2014

ITA Local Transport Plan Working Group10.30am on 2nd Thursday, 4 meetings a year, Newcastle Civic Centre

11 July 2013 at 11 am

10 October 2013

12 December 2013

10 April 2014

ITA Equality and Diversity Working Group10.30am on 3rd Thursday, 2 meetings a year, Newcastle Civic Centre

17 October 2013

17 April 2014

ITA Bus Strategy Working Group (serviced by Nexus)

10.30am on Thursday, as and when required, Newcastle Civic Centre

13 June 2013

3 October 2013

5 December 2013

6 March 2014

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Tyne and Wear Integrated Transport Authority

28 March 2013
(10.00 am - 12.20 pm)

Present:

Councillor: D Wood (Chair)

Councillors: Blackburn, Curran, Green, Hobson, Lawson, Lott, McElroy, O'Shea, Smith, Stokel-Walker, Stone and P Wood

In attendance:

Newcastle City Council:

P Woods - Acting Clerk and Treasurer (ITA)
D Slater - Acting Deputy Clerk (ITA)
J Softly - Legal Advisor and Monitoring Officer (ITA)
H Emms - Transport Advisor (ITA)
P Fenwick - New Tyne Crossing Project Director (ITA)
E Goodman - Senior Accountant (ITA)
N Whitefield - Press Officer
V Miller - Democratic Services

Nexus:

B Garner - Director General
T Hughes - Director of Customer Services
J Fenwick - Director of Finance and Resources
K Mackay - Director of Rail and Infrastructure
H Lewis - Head of Corporate Communications

7 North East Local Authorities:

R Forsyth - Transport Policy Officer

106. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Hodson and Maughan.

107. **DECLARATIONS OF INTEREST OF MEMBERS OR OFFICERS IN ANY MATTER TO BE DISCUSSED AT THE MEETING**

- The following members declared a personal interest due to holding a concessionary travel pass: Councillors Blackburn, Curran, Green, Hobson, Lott, McElroy, O'Shea, Smith, D Wood and P Wood.

- Councillor Blackburn declared a personal interest due to his family member holding a pass for the Tyne Tunnels.
- Councillor Hobson declared a personal interest due to holding a Metro pass and also a pass for the Tyne Tunnels.
- Councillor McElroy declared a personal interest due to holding the Metro Gold Card and having a cycle locker at a Metro station.
- Councillor O'Shea declared a personal interest due to holding the Metro Gold Card and a pass for the Tyne Tunnels.
- Councillor P Wood declared a personal interest due to holding the Metro Gold Card.

Members sought advice on whether they needed to declare an interest at every meeting of the Authority to disclose the fact that they held a concessionary travel pass or a pass for travelling on buses or Metro or a permit for the Tyne Tunnels. It was agreed that a response would be prepared and reported to a future meeting.

In response to a member's query, members were advised that, generally, they did not need to declare an interest due to holding the Pop Card.

108. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 24 January 2013 were approved as a correct record and signed by the Chair.

Matters Arising

(a) Minutes of the previous meeting – matters arising – annual fares' review

(Minute 92 (d) refers)

In regard to the previous action to prepare a briefing note for members on the way forward in respect of addressing the inequality between financial support for Metro and the heavy rail sector and Transport for London, B Garner explained that although the briefing note had not been prepared, a discussion regarding the long-term funding had started. Members would be kept informed about any developments.

(b) 2013/14 ITA Capital Programme

(Minute 95 refers)

B Garner reported that the works on Monkseaton Bridge had been completed. In welcoming this progress, a member commented on the quality of the works.

(c) Bus Strategy Delivery Project Update

(Minute 96 refers)

In response to a member's query in relation to the progress of the action to prepare a briefing paper for members on the comparative position on bus and rail patronage in the North East and other parts of the country, B Garner explained that although some data was commercially sensitive, the query was partially addressed in agenda item 11 - "Bus Patronage Trends in Tyne and Wear".

A member referred to a letter from Stagecoach, which had informed members about the company's annual review of fares. It was suggested that Nexus should request more detailed information from the company on the changes in fares.

In relation to the previous comments from members on the need for them and bus operators to engage further, it was agreed that the Chairman and the Statutory Vice-Chairman would contact the Chair of the North East Bus Operators Association (NEBOA) to arrange a meeting.

(d) Petition to reinstate the Sunday service 13 bus route via Doxford Park Way and status of bus terminus at Hall Farm Road in Doxford Park

(Minute 99 refers)

B Garner reported that the bus operator had confirmed that they could not alter their decision and re-instate Bus Service 13 along Doxford Park Way on Sunday daytime or review its termination point. However, the operator had agreed to keep this under review.

109. RATE OF MEMBERS' ALLOWANCES 2013/14

Submitted: A report of the Acting Clerk (previously circulated and copy attached to Official Minutes).

Members considered the report which set out the recommendations of the Independent Remuneration Panel regarding the rate of member's allowances for 2013/14.

RESOLVED – That:

- (i) the recommendations of the Independent Remuneration Panel that the rate of members' allowances for 2013/14 should remain unchanged be noted;
- (ii) the rate of members' allowances for 2013/14 remain unchanged and a new Members' Allowances Scheme be made accordingly to take effect from 1 April 2013;
- (iii) the existing Scheme 2012/13 be revoked.

110. APPOINTMENT OF THE CLERK

Submitted: A report of the Legal Advisor and Monitoring Officer (previously circulated and copy attached to Official Minutes).

Members considered the report which recommended the appointment of Pat Ritchie as the Clerk of the Authority and a Non-Executive Director of Nexus, effective from 1 April 2013.

As an update, it was noted that D Slater would soon leave Newcastle City Council and therefore cease to be the Acting Deputy Clerk of the Authority. The Chairman, on behalf of the Authority, thanked D Slater for his work and wished him well for the future.

RESOLVED – That,

effective from 1 April 2013:

- (i) Pat Ritchie be appointed as the Clerk of the Authority;
- (ii) Pat Ritchie be appointed as a Non-Executive Director of Nexus;
- (iii) David Slater would cease to be a Non-executive Director of Nexus;
- (iv) Paul Woods would cease to be the Acting Clerk of the Authority;
- (v) Paul Woods would continue in his role as the Treasurer of the Authority;

and

- (vi) effective from the date of his departure from Newcastle City Council, David Slater would cease to be the Acting Deputy Clerk of the Authority.

111. INVESTMENT CRITERIA AND LIMITS

Submitted: A report of the Acting Clerk and Treasurer (previously circulated and copy attached to Official Minutes).

Members considered the report which set out the revised criteria and limits for the Authority's investment activities with external organisations.

Questions, comments and points raised by members and responses provided by officers during the consideration of the report:

- A member referred to a comment raised at a previous meeting of the Audit Committee and asked if consideration could be given to developing an ethical investment policy to ensure that the Authority invested only in highly regarded organisations with uncompromised ethical practices. In response, officers undertook to prepare a report

on this matter to be submitted to a future meeting as part of the mid-year financial update.

- In response to a member's question about whether institutions with a BBB rating were considered to be safe for investing in, P Woods explained that they were. He also explained that the Authority monitored closely all its investment activities. Currently, the Authority did not have any investments in institutions with a BBB rating, but having them on the list of possible investees provided the Authority with a greater flexibility. Members would be kept informed about any changes and issues in relation to this activity.
- In response to a member's question, P Woods agreed that many organisations had experienced an impact of the reduction in interest rates. The Authority benefited from a range of investment options it had.

RESOLVED – That the criteria and limits for external investments, as set out in section 3 of the report, be agreed.

112. **REVENUE BUDGET MONITORING REPORT TO FEBRUARY 2013**

Submitted: A report of the Acting Clerk and Treasurer (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on the revenue budget monitoring position for the period 1 April 2012 to 28 February 2013.

RESOLVED – That the report be noted.

113. **2012/13 CAPITAL PROGRAMME - THIRD QUARTERLY REVIEW**

Submitted: A joint report of the Acting Clerk and Treasurer to the Authority and the Director of Finance and Resources of Nexus (previously circulated and copy attached to Official Minutes).

Members considered the report which advised them of the overall performance of the 2012/13 Capital Programme, including its delivery to the end of the third quarter.

Updates:

- J Fenwick explained the period reported and provided an update on the Metro Asset Renewal Plan's expenditure forecast for the year, which was now in the region of £41m.
- It was noted that Nexus had internalised elements of its delivery, creating 60 new posts as a result. Nexus also had embarked on a more ambitious apprenticeship programme which incorporated approximately 30 apprentices over the next three years. The

programme was developed in partnership with Gateshead College and was mainly around job training in the Metro environment.

- It was also noted that the award letter for the contract to refurbish the Tyne Pedestrian and Cyclist Tunnels (TPCT) had now been issued.

Questions, comments and points raised by members and responses provided by officers during the consideration of the report:

- 1) A member referred to the Metro Ticketing and Gating programme and queried how many stations would be equipped with gates, including in South Tyneside. It was agreed that this question would be discussed under agenda item 14 "Metro Smart Ticketing – update". A member indicated that some areas were in a greater need for gating to help to reduce fraudulent travel.
- 2) A member queried the progress of the Schools Go Smarter programme and commented that transportation of pupils by car remained a problem, significantly contributing to congestion and depriving residents of parking. This issue needed to be addressed as a matter of priority.
- 3) In response to a member's question about whether there was a risk of falling below the Department for Transport (DfT) funding tolerance levels with regard to the Metro Asset Renewal Plan (ARP), B Garner reassured members that the risk was very low.
- 4) In response to a member's question about the ¾ life Metro car project, B Garner confirmed that Nexus was confident that the project would be completed by 2015. He went on to update members on progress, indicating that it was slightly above the target: 21 cars had been refurbished to date.
- 5) In response to a member's question about whether there had been any further delays in the implementation of the Metro Ticketing and Gating programme, it was noted that this matter was set out in agenda item 14 "Metro Smart Ticketing – update".
- 6) A member asked whether there was an aspiration, as part of the Capital Programme, for a wider roll out of the scheme which provided real time information at bus stops. In response, it was explained that a project to deliver real time information had been included in the Local Sustainable Transport Fund. The project was underway, and discussions were being held with bus companies in Tyne and Wear and other transport authorities in the North East. It was also explained that the principal method of delivering real time information to customers would be using smart phones and the internet. Although some bus stops would have electronic displays, due to the high costs involved, it was not feasible to display real time information electronically at every bus stop in Tyne and Wear. In response to a member's suggestion, it was confirmed that it was possible that passengers would be able to subscribe to a service which would text such information to their mobile phones.

- 7) In response to a member's question, it was explained that the current rebranding of bus stops was part-funded by the Better Bus Area Fund and Nexus' capital programme; and this produced a revenue saving.

RESOLVED – That the position with regard to the 2012/13 Capital Programme at the end of the third quarter be noted.

114. **ITA FUND RELEASE PROPOSALS**

Submitted: A report of the Acting Clerk and Treasurer (previously circulated and copy attached to Official Minutes).

Members noted the report which provided an update on the planned use of the additional funds which would be released from the Authority to the five Councils in 2013/13 and 2014/15.

RESOLVED – That the report be noted.

115. **STRATEGIC RISK REGISTER**

Submitted: A report of the Acting Clerk (previously circulated and copy attached to Official Minutes).

Members noted the report which provided an update on the Authority's strategic risks and opportunities and the associated actions to manage these risks and opportunities. P Woods drew members' attention to the pressure on the overall funding due to the reduction in public sector finance (Risk Reference 7). He invited members to identify any further risks for the addition onto the Risk Register.

Questions, comments and points raised by members and response provided by officers during the consideration of the report:

- A member referred to section 4.2.2 and suggested that the report should include a reference to the possibility of a change in the level of the toll for the heavy goods vehicles (HGVs). In response, it was agreed that a report on the Concession Toll, which was planned for the July meeting, would include relevant information on this matter.
- A member referred to the deficit in funding for Concessionary Travel and asked whether a solution had been identified. In response, P Woods explained that this was a difficult position for the Authority. He reminded members that, in calculating the allocation for Concessionary Travel, the Government had not used the actual data which had been offered by the Authority, and this had resulted in a lower level of funding allocated by the Government for Tyne and Wear. It was noted that all ITAs were lobbying the Government, especially those who had seen the adverse effect of the formula. It was also noted that not all ITAs were affected to the same degree; the national position was

mixed. B Garner added that the Passenger Transport Executive Group (PTEG) had set out the position on funding for Concessionary Travel on their website.

- In response to a member's question, it was clarified that the reference to £16m in the second paragraph of section 4.3.1 was a reference to the bid for the Local Sustainable Transport Fund (LSTF).

RESOLVED – That the report, Strategic Risk Register and members comments be noted.

116. **BUS PATRONAGE TRENDS IN TYNE AND WEAR**

Submitted: A report of the Director General of Nexus (previously circulated and copy attached to Official Minutes).

B Garner introduced the report, which set out a summary of the trends on bus patronage, which had been collated and analysed by Nexus using a variety of sources of data.

Questions, comments and points raised by members and responses provided by officers during the consideration of the report:

- 1) In response to a member's questions, it was explained that the National Public Transport Data Repository (NPTDR) held annual snapshots of public transport route and timetable information in October because October represented the average traffic which was not affected by school holidays.
- 2) A member commented that the long-term decline in bus patronage in Tyne and Wear could also be due to a significant reduction in the heavy industry and an increase in car ownership. B Garner agreed but explained that the report had not aimed to establish the reasons for the decline. Instead, it focused on establishing a benchmark for the longer-term strategy.
- 3) A member commented on the importance of identifying the long-term picture in relation to bus patronage. B Garner agreed and explained that the first key task was to arrest the decline in bus patronage.
- 4) In response to a member expressing his disappointment with the decline in Metro patronage, it was explained that this was in part a result of the ARP engineering works and Nexus would continue to analyse passenger behaviour and report the findings to the Metro Sub-Committee.
- 5) A member was pleased to note that there was a recent increase in the number of fare paying passengers on both buses and Metro.
- 6) A member queried to what extent car ownership was a significant factor which impacted on the use of public transport. B Garner explained that, when compared to the national picture, car ownership in Tyne and Wear was low and there was currently

a reduction in the number of young people who applied for a driving licence. However, if the economy would improve, car ownership could increase.

- 7) B Garner explained the importance of focusing on the development of a product which targeted younger people.
- 8) A member commented that, as an integrated transport authority, the Authority should not attempt to address car ownership as such. Instead, it should encourage smart travelling behaviour, such as, for example, car sharing.
- 9) In response to a member's query in relation to the progress of further improvements of bus corridors, B Garner explained that this work was in progress and Nexus was scheduled to meet with the Highways Agency.

RESOLVED – That the report be noted.

117. **PASSENGER FOCUS BUS USER SATISFACTION RESULTS**

Submitted:

- (i) A report of the Director General of Nexus (previously circulated and copy attached to Official Minutes);
- (ii) A copy of the results on customer satisfaction with buses in Tyne and Wear, which had been extracted from a document of Passenger Focus (with the permission from the Chair, due to timetables involved circulated at the meeting and copy attached to Official Minutes).

Members noted the report which summarised the latest results on bus user satisfaction. These statistics had been collected and analysed by Passenger Focus, an independent public body.

Questions, comments and points raised by members and responses provided by officers during the consideration of the report:

- 1) A member expressed his disappointment with the results for 2012 when compared to 2011 and queried whether bus operators were aware of the issue and whether they had suggested a set of actions for improvement. In response, it was confirmed that bus operators took such matters seriously and were aware of the issue. Nexus would discuss this matter further with them. It was also noted that further detail was available at operator level and members were encouraged to access the Passenger Focus report on the organisation's website.
- 2) A member commented that although the overall satisfaction results had fallen, some elements had improved, and there was no doubt that bus operators worked hard on this.

- 3) B Garner confirmed that further work would be undertaken regarding the long-term trend. In response to a member's question on whether there was a document which set out the long-term trend on customer satisfaction, it was agreed that officers would circulate relevant information to all members.
- 4) A member commented on the need for improvements in customer service on buses. Consideration should also be given to improving the internal design of bus vehicles to ensure a comfortable journey for people of different sizes.
- 5) Comments were made that some factors were out of bus operators' control. A member commented that congestion was one of such factors and suggested that local authorities needed to work with the operators on this issue.
- 6) In response to a member's query about delays, B Garner explained that the move towards "smart" technology should help to reduce delays and improve the reliability of bus services.

RESOLVED - That the report be noted.

118. **BETTER BUS AREA GUIDANCE**

Submitted: A report of the Director General of Nexus (previously circulated and copy attached to Official Minutes).

Members noted the report which set out information on the guidance issued by the DfT to those authorities who wished to apply for designation as a Better Bus Area (BBA). T Hughes drew members' attention to the risks and opportunities within the designation, the complexity of the bid, the scale of the work required to prepare it and the tight timescales involved.

Questions, comments and points raised by members and responses provided by officers during the consideration of the report:

- 1) Members were pleased to note that, in response to the Chairman's letter, the DfT had adopted a more considerate approach towards authorities who were considering the introduction of a Quality Contract Scheme (QCS).
- 2) In response to a question on whether bus operators understood the benefits of applying for designation as a BBA, officers explained that the work on this was in progress and it was expected that the operators' views would be confirmed soon.
- 3) In relation to the potential size of a BBA, officers explained that an example area which had been presented in the DfT's case study was Sheffield. There was no limitation on the size or type of the geographical area and it was possible that a BBA area could be larger than Sheffield. However, there was an indication in the guidance that it should be a smaller area.

- 4) The Chair commented that if there was an opportunity to develop a scheme to benefit the area further, such an opportunity should not be missed. If needed for the reasons of the timetables involved, a meeting of the Delegated Committee could be set up to consider the application.

RESOLVED – That the report be noted.

119. **METRO SMART TICKETING - UPDATE**

Submitted:

- (i) A report of the Director General of Nexus (previously circulated and copy attached to Official Minutes);
- (ii) A copy of the passenger guide on the use of the Pop Card (with the permission of the Chair, circulated at the meeting and copy attached to Official Minutes).

Members noted the report which provided an update on the plans to introduce smart ticketing on the Tyne and Wear Metro system by means of the Pop Card.

B Garner was pleased to report that although the development of the smart ticketing scheme had taken some time, its introduction meant a smart ticketing revolution for Tyne and Wear. K Mackay spoke about the infrastructure around smart ticketing and gating and T Hughes spoke about the benefits of the scheme for customers.

Questions, comment and points raised:

- 1) It was noted that the roll out of the smart ticketing would take a few month. Nexus was prepared to deal with any potential issues that could arise during the implementation of the programme. Nexus would work with customers to ensure that they were kept informed about the forthcoming changes.
- 2) In line with the original business case, 13 stations which had been incurring a high level of revenue loss would be gated.
- 3) Due to financial reasons it was not possible at this point in time to gate more stations. However, this could be reconsidered in future.
- 4) In response to a member's question specifically about South Tyneside, officers explained that, initially, it had been planned that South Shields would be the only station gated in South Tyneside. Since then, the plan had been reviewed and it was now suggested that Chichester station should also be gated.
- 5) It was confirmed that there would be no reduction in the number of Ticket Inspectors on the Metro system. It was also explained that all gated stations would have a member of staff present to provide assistance, deal with queries and any faults.

- 6) Members asked for information on the cost benefit of gating the 13 stations and the expected reduction in fraud. Officers undertook to bring this information to a future meeting.
- 7) J Fenwick explained that it was not cost effective to have staff at those stations where the level of fraud was very low.
- 8) A member suggested that all stations with a high level of fraud should be considered for inclusion into the programme or be subject to other measures to tackle fraud.
- 9) It was agreed that officers would circulate a map which set out the expected price zones to all members for information.
- 10) Members noted the operation of the “get you home guarantee” scheme which was part of the smart ticketing programme.
- 11) A comprehensive campaign to inform passengers of the forthcoming changes would run between now and September. Members asked that this information should also be circulated to all elected members in the Tyne and Wear Councils to help them with queries from residents. The Chair suggested that information circulation could be done though the same method as used to inform members of the changes to bus services.
- 12) In welcoming the forthcoming improvements to customer experience through smart ticketing, the Chair commented on the importance of continuing the work to ensure that the scheme worked well.

RESOLVED – That the delivery of the Metro smart ticketing programme, as set out in the report, be noted.

120. **PROGRESS REPORT ON ESTABLISHING A LOCAL TRANSPORT BODY AND DEVELOPING A PRIORITISED PROGRAMME OF LOCAL MAJOR SCHEMES**

Submitted: A joint report of the Acting Clerk to the Authority and the Director General of Nexus (previously circulated and copy attached to Official Minutes).

Members noted the report which informed them of the arrangements which had been put in place to allow the North East Local Transport Body (NELTB) to prioritise a programme of local major schemes for delivery in 2015-2019. It was noted that a further update would be provided to a future meeting.

H Emms drew members’ attention to the fact that as yet no decision had been made on the schemes. P Woods explained the importance of applying the deliverability test to all proposed schemes to be able to demonstrate and ensure that they would deliver a positive outcome within the timescale.

Questions, comments and additional points noted during the consideration of the report:

- 1) It was noted that many schemes were at different stages of development and this would be taken into consideration.
- 2) The agreed minimum contribution from the sponsors of a scheme was 10%.
- 3) A member welcomed the fact that the suggested prioritisation process was less political and instead focused on technical methodology, local policy and the guidance from the DfT. In response to a member's question, it was confirmed that compliance with the WebTAG guidance was a minimum requirement which had been set by the DfT.
- 4) It was confirmed that it would be the NELTB who would make decisions on the prioritisation of the schemes.
- 5) It was noted that all elements of the Assurance Framework were scrutinised by the DfT.

RESOLVED – That the report be noted.

121. **TYNE AND WEAR FLEET OPERATOR RECOGNITION SCHEME**

Submitted: A report of the Chair of the Joint Transport Steering Group (previously circulated and copy attached to Official Minutes).

Members noted the report which provided information on the Tyne and Wear Fleet Operator Recognition Scheme (FORS). They congratulated the Port of Tyne, Sunderland City Council and Newcastle City Council on their participation in the scheme.

A member referred to section 5.2 of the report and asked for further information on the discussion which had been held by Newcastle City Council on the potential to implement a scheme which would incorporate a procurement requirement in its tender process thus encouraging participation in FORS, to be circulated to all members for information.

RESOLVED – That:

- (i) the continuing work of the Tyne and Wear Freight Partnership to promote FORS, supported through the procurement work, be endorsed;
- (ii) a more detailed presentation about FORS be provided to a future Policy Seminar.

122. **DATE AND TIME OF THE NEXT MEETING**

Thursday, 23 May 2013 at 10am (Annual Meeting).

123. EXCLUSION OF PRESS AND PUBLIC

RESOLVED – That by virtue of section 100A and paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of agenda item 19 “Confidential Minutes of the previous Meeting” and agenda item 20 “Concessionary Travel Funding Update” because exempt information was likely to be disclosed and the public interest test against the disclosure had been satisfied.



DATE: 23 MAY 2013

SUBJECT: 2013/14 METRO CAPITAL PROGRAMME

REPORT OF: DIRECTOR OF FINANCE AND RESOURCES AND DIRECTOR OF RAIL AND INFRASTRUCTURE, NEXUS

PURPOSE OF REPORT

To seek approval of the revised Metro Capital Programme for 2013/14.

RECOMMENDATIONS

The ITA is asked to:

- Approve the revised Metro capital programme for 2013/14 as detailed in Appendix A, totalling £40.7m.

BACKGROUND DOCUMENTS

2013/14 ITA Capital Programme – ITA 24 January 2013

CONTACT OFFICERS

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<i>Linden Watson</i>	linden.watson@nexus.org.uk	0191 203 3511

IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive

1 Executive Summary

- 1.1 This report outlines the proposed revised Metro Capital Programme for 2013/14 for approval.

2 Introduction and Background

- 2.1 Since April 2010 Nexus has been delivering the first three years of its eleven year Asset Renewal Plan.
- 2.2 As part of the terms of the funding agreement with DfT, Nexus is required to submit a detailed work plan for each financial year no later than 28 February in the preceding year.
- 2.3 The ITA approved the full ITA Capital Programme for 2013/14, including both Metro and non-Metro elements, at its meeting on 24 January 2013.

3 Metro Asset Renewal Plan

- 3.1 The initial programme for 2013/14 approved by the ITA totalled £49.3m. It was recognised that the programme included high levels of over-programming (34%) in view of the high level of risk in delivering a number of projects within 2013/14. Since this was clearly unsustainable given the level of available grant funding, there has been further consideration regarding the phasing of a number of projects within the programme, to ensure that over-programming levels are reduced to more appropriate levels (as highlighted in the January report). The programme has also been updated to reflect the final 2012/13 outturn, in particular, given that the programme will now also incorporate £3.4m of commitments carried over from 2012/13.
- 3.2 Careful consideration has been given to the impact of the blockade in August 2013 and the introduction of smart ticketing in September, which taken together will require careful consideration of how the Metro is effectively re-launched this Autumn. As a consequence, it is proposed to reschedule a number of projects until next financial year so as not to further disrupt customers at a time when every effort is being made to attract customers back to the network. Additional projects with limited disruptive effect upon passengers for example, station painting to stations to the Airport while the Blockade is progressing, some additional track renewal works carried out during normal access and acceleration of ICT projects, have now been accommodated within the 2013/14 programme. As highlighted above, the programme now also incorporates



changes required following the finalisation of the outturn for 2012/13, including £3.4m of commitments brought forward from 2012/13. Additionally, it should be noted that away from the Blockade, there are a number of projects that do not require significant access to the track e.g. Metro Car refurbishment, and replacement of the Rail Tamping machine.

3.3 Following finalisation of the outturn for 2012/13, the DfT spending target for 2013/14 is now £35.2m. The minimum and maximum spend levels are now £31.8m and £38.6m respectively.

3.4 The revised 2013/14 programme now totals £40.7m. the reduction of approximately £9m largely relates to the following projects:

Initiatives to manage disruption

- Earthworks – South Gosforth to Jesmond (£2m reduction) – Project rescheduled to minimise customer disruption in 2013/14
- Switches & Crossings – Regent Centre (£2.2m reduction) – Project rescheduled to minimise customer disruption in 2013/14
- Marmion Terrace (£0.3m reduction) – Project rescheduled to Summer 2014 to minimise customer disruption in 2013/14

Commitments brought forward from 2012/13

- Projects brought forward as a consequence of 2012/13 outturn (£3.4m increase)

Other

- Radio (£1.8m reduction) – Project re-phased between financial years due to revised procurement route. The project was initially planned to procure the radio equipment after the design stage. In order to reduce risk, it has been agreed to procure the new radio system as a combined design and installation project. However, it should be noted that while the payment phasing has changed, there is no slippage in terms of delivery of the radios into the Metro cabs.
- PTI (£2.0m reduction) – Project delayed due to decision to progress Radio and PTI separately rather than concurrently in order to reduce the risk of this project.
- Switches & Crossings – St. James (£0.6m reduction) – Project rescheduled to enable potential procurement efficiencies with Switches & crossings Regent



Centre.

- Fire Alarm (£0.7m reduction) – Project slippage
- Tender savings (£0.5m) – South Gosforth and West Jesmond stations
- Projects accelerated into 2012/13 (£1.8m reduction) – largely Plain Line – South Gosforth to Jesmond and S&C Benton
- Projects accelerated into 2013/14 (£1.2m increase) – ICT and Station painting projects on Airport line
- Plain Line Renewal (£0.5m increase) – Additional project included in 2013/14 programme

3.5 The revised programme includes almost £8m relating to the Summer Blockade works and over £7m in respect of the Master Plan of Ducting, Cabling and Signalling projects which is now being largely implemented internally. There remains a degree of uncertainty regarding the extent of the implementation during 2013/14, while the Capital Delivery Team mobilises.

3.6 The programme also includes over £5m in respect of the Metro Car refurbishment project which is dependent upon delivery by DB Regio outside of Nexus' direct control.

3.7 The major elements of the revised investment programme for 2013/14 are as follows:

- **Civils: Budget £5.443m**

Including Earthworks, Drainage and Bridge works of £2.797m and Duct Route repairs and renewals of £2.524m.

- **Communications: Budget £5.773m**

Including fibre installation and replacement of £3.043m and continuing work on Station Network Connections of £1.594m to replace the open transmission network (OTN) with an internet protocol (IP) network. In addition work on the new radio system will continue (£0.247m) and CCTVV works (£0.585m).

- **Mechanical and Electrical: Budget £2.082m**

This provides for the continuation of Lift and Escalator replacement including Gateshead escalators at £1.573m. It also provides for the replacement of the Fire Alarm system at £0.435m.

- **Metro Cars ¾ Life Refurbishment: Budget £5.113m**

Continuation of the refurbishment programme that commenced in 2010/11.



- **Permanent Way: Budget £8.843m**

Including further Plain Line Renewal between South Gosforth and Jesmond at £7.5m and the completion of the renewal of Switches and Crossing units at Benton totalling £0.489m.

- **Rail Track Tamping Machine: Budget £2.001m**

Completion of the replacement tamper project totalling £2.001m.

- **Signalling: Budget £2.766m**

Continued programme of cable testing and replacement (£2.636m), together with further development of the Positive Train Indicator (PTI) equipment replacement at £0.13m.

- **Stations: Budget of £4.520m**

Completion of on-going Station refurbishment together with works at Walkergate, South Gosforth, Ilford Road, West Jesmond and painting at Airport line stations totalling £4.520m.

4 Over programming and Station Investment

4.1 The proposed revised draft programme detailed at Appendix A totals £40.7m. At this level, the programme is 16% over programmed, which is considered reasonable at this stage in the financial year, given the complexity of some of the projects in this year's programme. Opportunities to advance projects are being further explored and a reserve list of projects is being established to ensure DfT spending targets can be achieved.

4.2 As far as the Station Investment Programme is concerned, feedback from stakeholders has highlighted the need for consideration of additional works to be carried out at key stations across the network in order to enhance what is currently programmed and financed to occur and to provide synergy with recent works carried out in central Newcastle (Haymarket) and North Shields as well as works previously carried out (below the surface) and also planned (above ground) at Sunderland Station where Nexus has committed resources outside of the Asset Renewal Plan in a joint venture with the City Council and Network Rail.

4.3 These additional locations include Newcastle Central Station where the City Council has also secured investment for the mainline railway station and improvements to the metro station are seen as complementary, South Shields station where the Council is



currently developing plans to regenerate its town centre and Gateshead where sizeable investment in the town centre is currently underway.

- 4.4 At this point in time, the resource necessary to deliver these station enhancements has not been secured and the Asset Renewal Plan only provides for a basic refurbishment at each location at this time. However, bids for external funding e.g. local major scheme funding have been put forward and discussions with DfT to explore whether any additional investment could be made available are well advanced.

5 Capital Programme Financing

- 5.1 The anticipated DfT Metro Rail Grant funding for 2013/14 is £31m. The funding available, including the local contribution and carry forward of funding from 2012/13 is set out below (NB. – over programming in this respect is a management tool used to ensure that delivery against the funding target actually happens):-

	Proposed 2013/14 Budget
	£000
Metro Rail Grant	31,000
Virement between years (proposed at this stage)	677
Local contribution (10%)	3,520
Total ARP Funding	35,197
Over-programming	5,511
Over-programming (%)	15.7%
TOTAL	40,708



Capital code	Capital Scheme	2013/14 Budget Requirement £000
Civils		
BC201	Earthworks - North Shields to Howdon	125
BC204	Earthworks - South Gosforth to Jesmond	91
BC971	Earthworks - TYN - NPK, NPK - SGF	137
BC209	Bridges - Tynemouth to Meadow Well (1157 1156 1168 1171)	59
BC211	Bridges - Hadrian Road to Walkergate (1197 1198 1200)	30
BC212	Bridges - Wallsend to Walkergate (1201 1203 1204 1206)	80
BC215	Bridges - Benton (1114 1115B)	36
BC216	Bridges - Gateshead (1059 1962)	59
BC217	Bridges - Bede, Shiremoor (1024 1024A)	116
BC972	Bridges GST-SSS	140
BC488	Felling Flooding Remedial Works	200
BC283	Bridges - Percy Main to South Gosforth	50
BC219	Drainage - South Gosforth to Jesmond	1,535
BC974	Drainage - TYN-NPK	137
BC225	Duct Route - Tynemouth to North Shields	133
BC226	Duct Route - South Gosforth to Jesmond	297
BC227	Duct Route - South Gosforth to Airport	477
BC228	Duct Route - Jesmond to Gateshead Stadium and Manors to St. James (tunnels)	45
BC229	Duct Route - Gateshead Stadium to South Shields	252
BC230	Duct Route - South Gosforth to Tynemouth	1,313
BC290	Ground Investigation - Rest of System	100
BC799	Monkseaton Station Ramp	15
	Other	18
	Total Civils	5,443
Communications		
BC250	Cable Pulling - Tynemouth to Manors	588
BC252	Cable Pulling - South Gosforth to Airport	528
BC253	Cable Pulling - Jesmond to Gateshead Stadium and Manors	70
BC254	Cable Pulling - Gateshead Stadium to South Shields	1,152
BC255	Fibre Cable Replacement - South Gosforth Junction to Tynemouth	705



REPORT FOR DECISION

BC256	Radio	247
BC257	Telephony	73
BC259	IP Network	1,594
BC840	CCTV/PA Access	585
BC956	PA	211
BC556	Help Points	20
	Total Communications	5,773

Depot Equipment

BC278	Train Wash	3
BC279	Wheel Lathe	10
	Total Depot Equipment	12

Level Crossings

BC277	Bank Foot Callerton Parkway	521
	Total Level Crossings	521

Mechanical and Electrical

BC992	Escalator - Heworth	12
BC993	Escalator - Gateshead 1-2 (previously 1-3)	12
BC994	Escalator - Regent Centre (previously Manors)	123
BC995	Escalator - Gateshead 3-6 (previously 4-6)	910
BC973	Lift - St James	252
BC996	Lift - Regent Centre (previously St James)	247
BC997	DC Feeder Cable	34
BC286	Fire Alarm	435
BC805	Otn-ups Support Power Supply	40
	Other	16
	Total Mechanical and Electrical	2,082

Metro Cars

BC288	3/4 Life Refurbishment	5,113
	Total Metro Cars	5,113

Capital Maintenance

BC550	Rail Grinding	100
BC558	Security Fencing	100
BC587	Vehicle Replacement Programme	137
BC617	Lifts Refurbishment/Major Items	50
BC703	Plain Line Renewal	484
BC929	OHL Network	636
BC954	Capital Maintenance Concession	759
BC532	Stations Refurb - Esc Imps/Major Items	38



BC964	S&C Steelwork Renewal	25
	Total Capital Maintenance	2,330

Miscellaneous

BC894	Security Review	22
BC947	Nexus Document Control Systems	8
BC960	Asset Knowledge	61
BC296	Metro Service	500
BC900	Nexus Rail HQ Improvements	30
BC400	Control Centre Improvements	30
	Total Miscellaneous	651

Overhead Line

BC240	OLE - System Development	470
	Total Overhead Line	470

Permanent Way

BC231	Plain Line - Tynemouth to Chillingham Road	314
BC232	Plain Line - South Gosforth to Jesmond	7,505
BC233	Plain Line - Jesmond to Gateshead Stadium	120
BC976	Plain Line - TYN-NPK	136
BC235	Switches & Crossings - North Shields	8
BC236	Switches & Crossings - South Gosforth	70
BC237	Switches & Crossings - Benton	489
BC238	Switches & Crossings - St James	81
BC967	Switches & Crossings - Regent Centre	120
	Total Permanent Way	8,843

Plant

BC280	Tamper	2,001
	Total Plant	2,001

Power

BC287	Power - Depot Stray Currents	184
	Total Power	184

Signalling

BC260	Signalling - Bankfoot Interlocking Area	276
BC261	Signalling - South Gosforth Interlocking Area	246
BC262	Signalling - Benton Interlocking Area	59
BC264	Signalling - North Shields Interlocking Area	288
BC265	Signalling - Wallsend Interlocking Area	78
BC266	Signalling - Jesmond Interlocking Area	52



REPORT FOR DECISION

BC267	Signalling - Manors Interlocking Area	56
BC268	Signalling - Heworth Interlocking Area	274
BC269	Signalling - Pelaw Interlocking Area	373
BC273	Signalling - PTI	130
BC970	Signalling - Replacement point motors (critical locations)	929
	Other	5
	Total Signalling	2,766

Stations

BC242	Station - North Shields	566
BC243	Station - Meadow Well, Percy Main and Howdon	625
BC244	Station - Hadrian Road and Wallsend	26
BC245	Station - Walkergate and Chillingham Road	940
BC246	Station - South Gosforth	455
BC247	Station - Ilford Road	427
BC248	Station - West Jesmond	532
BC249	Station - Central Station	534
BC968	Halt Station Package (Hebburn, Jarrow, Bede) Design	5
BC981	Station - SSS	147
BC983	Station - Heworth Interchange	14
	Station - Callerton	50
	Station - Bank Foot	50
	Station - Kingston Park	50
	Station - Fawdon	50
	Station - Wansbeck Road	50
	Total Stations	4,520

Major Projects

BB006	Ticketing and Gating Enabling Works	0
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40,708

Civils

BC201	Earthworks - North Shields to Howdon	125
BC204	Earthworks - South Gosforth to Jesmond	91
BC971	Earthworks - TYN - NPK, NPK - SGF	137
BC206	Bridges - Percy Main to Wallsend (1185 1186 1179)	3
BC209	Bridges - Tynemouth to Meadow Well (1157 1156 1168 1171)	59
BC211	Bridges - Hadrian Road to Walkergate (1197 1198 1200)	30



BC212	Bridges - Wallsend to Walkergate (1201 1203 1204 1206)	80
BC214	Bridges - Monkseaton, Cullercoats (1124 1137 1144)	1
BC215	Bridges - Benton (1114 1115B)	36
BC216	Bridges - Gateshead (1059 1962)	59
BC217	Bridges - Bede, Shiremoor (1024 1024A)	116
BC972	Bridges GST-SSS	140
BC488	Felling Flooding Remedial Works	200
BC283	Bridges - Percy Main to South Gosforth	50
BC219	Drainage - South Gosforth to Jesmond	1,535
BC974	Drainage - TYN-NPK	137
BC222	Duct Route - Wallsend to Manors	3
BC224	Duct Route - North Shields to Howdon	3
BC225	Duct Route - Tynemouth to North Shields	133
BC226	Duct Route - South Gosforth to Jesmond	297
BC227	Duct Route - South Gosforth to Airport	477
BC228	Duct Route - Jesmond to Gateshead Stadium and Manors to St. James (tunnels)	45
BC229	Duct Route - Gateshead Stadium to South Shields	252
BC230	Duct Route - South Gosforth to Tynemouth	1,313
BC290	Ground Investigation - Rest of System	100
BC799	Monkseaton Station Ramp	15
BC811	Benton Station Footbridge	6
BC891	Control Room	2
	Total Civils	5,443

Communications

BC250	Cable Pulling - Tynemouth to Manors	588
BC252	Cable Pulling - South Gosforth to Airport	528
BC253	Cable Pulling - Jesmond to Gateshead Stadium and Manors	70
BC254	Cable Pulling - Gateshead Stadium to South Shields	1,152
BC255	Fibre Cable Replacement - South Gosforth Junction to Tynemouth	705
BC256	Radio	247
BC257	Telephony	73
BC259	IP Network	1,594
BC840	CCTV/PA Access	585
BC956	PA	211
BC556	Help Points	20
	Total Communications	5,773

Depot Equipment



REPORT FOR DECISION

BC278	Train Wash	3
BC279	Wheel Lathe	10
	Total Depot Equipment	12

Level Crossings

BC277	Bank Foot Callerton Parkway	521
	Total Level Crossings	521

Mechanical and Electrical

BC281	Escalator - Central	4
BC282	Escalator - Monument	6
BC992	Escalator - Heworth	12
BC993	Escalator - Gateshead 1-2 (previously 1-3)	12
BC994	Escalator - Regent Centre (previously Manors)	123
BC995	Escalator - Gateshead 3-6 (previously 4-6)	910
BC284	Lift - Four Lane Ends	3
BC285	Lift - Heworth	3
BC973	Lift - St James	252
BC996	Lift - Regent Centre (previously St James)	247
BC997	DC Feeder Cable	34
BC286	Fire Alarm	435
BC805	Otn-ups Support Power Supply	40
	Total Mechanical and Electrical	2,082

Metro Cars

BC288	3/4 Life Refurbishment	5,113
	Total Metro Cars	5,113

Capital Maintenance

BC550	Rail Grinding	100
BC558	Security Fencing	100
BC587	Vehicle Replacement Programme	137
BC617	Lifts Refurbishment/Major Items	50
BC703	Plain Line Renewal	484
BC929	OHL Network	636
BC954	Capital Maintenance Concession	759
BC532	Stations Refurb - Esc Imps/Major Items	38
BC964	S&C Steelwork Renewal	25
	Total Capital Maintenance	2,330

Miscellaneous

BC894	Security Review	22
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BC947	Nexus Document Control Systems	8
BC960	Asset Knowledge	61
BC296	Metro Service	500
BC900	Nexus Rail HQ Improvements	30
BC400	Control Centre Improvements	30
	Total Miscellaneous	651

Overhead Line

BC240	OLE - System Development	470
	Total Overhead Line	470

Permanent Way

BC231	Plain Line - Tynemouth to Chillingham Road	314
BC232	Plain Line - South Gosforth to Jesmond	7,505
BC233	Plain Line - Jesmond to Gateshead Stadium	120
BC976	Plain Line - TYN-NPK	136
BC235	Switches & Crossings - North Shields	8
BC236	Switches & Crossings - South Gosforth	70
BC237	Switches & Crossings - Benton	489
BC238	Switches & Crossings - St James	81
BC967	Switches & Crossings - Regent Centre	120
	Total Permanent Way	8,843

Plant

BC280	Tamper	2,001
	Total Plant	2,001

Power

BC287	Power - Depot Stray Currents	184
	Total Power	184

Signalling

BC260	Signalling - Bankfoot Interlocking Area	276
BC261	Signalling - South Gosforth Interlocking Area	246
BC262	Signalling - Benton Interlocking Area	59
BC264	Signalling - North Shields Interlocking Area	288
BC265	Signalling - Wallsend Interlocking Area	78
BC266	Signalling - Jesmond Interlocking Area	52
BC267	Signalling - Manors Interlocking Area	56
BC268	Signalling - Heworth Interlocking Area	274
BC269	Signalling - Pelaw Interlocking Area	373
BC270	Signalling - Jarrow Interlocking Area	2
BC271	Signalling - South Shields Interlocking Area	2



		REPORT FOR DECISION
BC273	Signalling - PTI	130
BC970	Signalling - Replacement point motors (critical locations)	929
	Total Signalling	2,766
Stations		
BC242	Station - North Shields	566
BC243	Station - Meadow Well, Percy Main and Howdon	625
BC244	Station - Hadrian Road and Wallsend	26
BC245	Station - Walkergate and Chillingham Road	940
BC246	Station - South Gosforth	455
BC247	Station - Ilford Road	427
BC248	Station - West Jesmond	532
BC249	Station - Central Station	534
BC968	Halt Station Package (Hebburn, Jarrow, Bede) Design	5
BC981	Station - SSS	147
BC983	Station - Heworth Interchange	14
	Station - Callerton	50
	Station - Bank Foot	50
	Station - Kingston Park	50
	Station - Fawdon	50
	Station - Wansbeck Road	50
	Total Stations	4,520
Major Projects		
BB006	Ticketing and Gating Enabling Works	0
		<hr/> 40,708 <hr/>



DATE: 23 May 2013
SUBJECT: Officer Governance Arrangements
REPORT OF: Policy Advisor to the ITA

PURPOSE OF REPORT

This report outlines proposed officer governance arrangements for the ITA to consider for implementation following its Annual General Meeting in May.

RECOMMENDATIONS

The ITA is asked to agree the role and remit of the Joint Transport Steering Group as outlined in Annex A of this report.

It is asked to delegate sufficient responsibility to this group in order to deliver the purpose of the group (also outlined in Annex A).

BACKGROUND DOCUMENTS

ITA Audit Committee papers 22 February 2013

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IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive



1 Executive Summary

- 1.1 This paper proposes refreshed officer working and governance arrangements for the Plan Partners involved in the delivery of the Local Transport Plan.

2 Background information

- 2.1 The Local Transport Plan 3 (LTP3) is a ten-year strategy (2011-2021) covering all forms of transport in Tyne and Wear, underpinned by the first in a series of three-year delivery plans (2011-14) setting out how the strategy will be put into effect at a local level. The LTP3 is prepared by the Plan Partners (the five Tyne and Wear Local Authorities and Nexus) and approved by the ITA.
- 2.2 The officer governance mechanisms outlined in the LTP3 Delivery Plan LTP3 (p115) have subsequently been altered to reflect reduced funding and resources.
- 2.3 With the emergence of the Local Transport Body and a move towards Combined Authority arrangements across the North East Local Enterprise Partnership geographical area, it is timely to review the LTP governance arrangements within Tyne and Wear to ensure they remain fit for purpose during any transition period.

3 Proposals

- 3.1 A revised and refreshed role and remit for the officer steering group is proposed – this can be found in Annex A.
- 3.2 This refresh will help ensure that:
- there are robust and transparent governance arrangements in place for agreeing and allocating LTP funding to relevant programmes;
 - responsibility for overall management and monitoring of the LTP programme is assigned to appropriate senior officer(s) and group(s); and
 - delivery of the LTP programme is reported regularly by partners and is monitored to ensure LTP spending supports the ITA in delivering its objectives.
- 3.3 The reporting structure for the Joint Transport Steering Group (JTSG) is outlined in Annex B. Along with some potential 'task and finish' and 'theme' groups. The



agreed terms of reference and finalised reporting structure will be reported back to the ITA in July.

4 Next steps

4.1 On agreement of the role and remit of the JTSG the group will first:

- review and determine a work programme for the LTP Core Team including agreeing the allocation of the topslice budget to deliver agreed workstreams;
- establish and agree terms of references for appropriate 'task and finish' and 'theme' groups; and
- implement a robust mechanism for reporting and reviewing effectiveness of the LTP capital programme.

4.2 JTSG will report back to ITA in July with terms of reference for its 'task and finish' and 'theme' groups having finalised the reporting structure outlined in Annex B.

5 Potential impact on objectives

5.1 Revised officer governance structures will improve the transparency, accountability and monitoring of the Local Transport Plan. It will provide a focused and delegated partnership officer resource tasked with delivering the ITA's objectives across various modes and district boundaries and should subsequently prove to have a positive impact on the ITA's objectives.



ANNEX A

The Joint Transport Steering Group (JTSG) – Role and Remit

Purpose of the group

1. To provide effective advice and recommendations to the ITA, its working groups, and the senior delegated officers of the ITA on the implementation and delivery of Tyne and Wear's Local Transport Plan (or equivalent), including the local transport capital investment programme for Tyne and Wear;
2. To provide information and reports that enable the ITA, its working groups, and the senior delegated officers of the ITA to monitor expenditure and the effectiveness of delivery of the LTP against the targets agreed by the ITA;
3. To co-ordinate officer working relationships that enable delivery of the LTP, primarily between the ITA, Nexus, and the five metropolitan districts of Tyne and Wear;
4. To offer advice and recommendations to the ITA, its working groups, and the senior delegated officers of the ITA on matters arising in relation to transport policy, priorities and funding opportunities;
5. To establish, monitor, oversee, and agree the terms of reference for appropriate 'task and finish' and 'theme' sub-groups to deliver elements of the LTP or emerging funds / projects as appropriate for Tyne and Wear;
6. To agree and administer the 'topslice' budget delivered by the Local Transport Plan Core Team including the commissioning of work as appropriate;
7. To agree and oversee the work programme for the Local Transport Plan Core Team; and
8. To act as a forum for discussion of strategic transport issues within Tyne and Wear and advise other groups where considered appropriate.

Membership

Senior transport officers from:

Gateshead Council, Newcastle City Council, Nexus, North Tyneside Council, South Tyneside Council, Sunderland City Council, and Tyne and Wear ITA.



Meetings

The JTSG will meet monthly. Meetings will be scheduled to enable timely reporting to the ITA and / or its working groups.

The 'task and finish' and 'theme' sub-groups overseen by the JTSG will be scheduled to enable timely reporting through the JTSG and pro-active agenda management for the ITA and / or its working groups.

Governance and Reporting

The Chair of the group will be elected annually at the first meeting of the year following the ITA Annual General Meeting.

The group will operate on the principle of achieving consensus.

Voting for the Chair and on any other matter that requires it shall be on a one vote, one membership basis.

In the event of a split decision the casting vote will fall to the Chair.

The group will report to the ITA and advise the ITA's working groups and senior delegated officers of the ITA.

Support and Organisation

The JTSG will require support from the aforementioned 'task and finish' and 'theme' groups. These groups may be requested to progress tasks associated with JTSG's ability to deliver the items identified above.

The JTSG will be required to establish or de-commission groups where appropriate.

A representative of the Local Transport Plan Core Team will attend meetings and provide the secretariat for the JTSG – including compiling the agenda, minutes and relevant papers. The Local Transport Plan Core Team will also maintain an actions log and minutes and papers to all meetings.

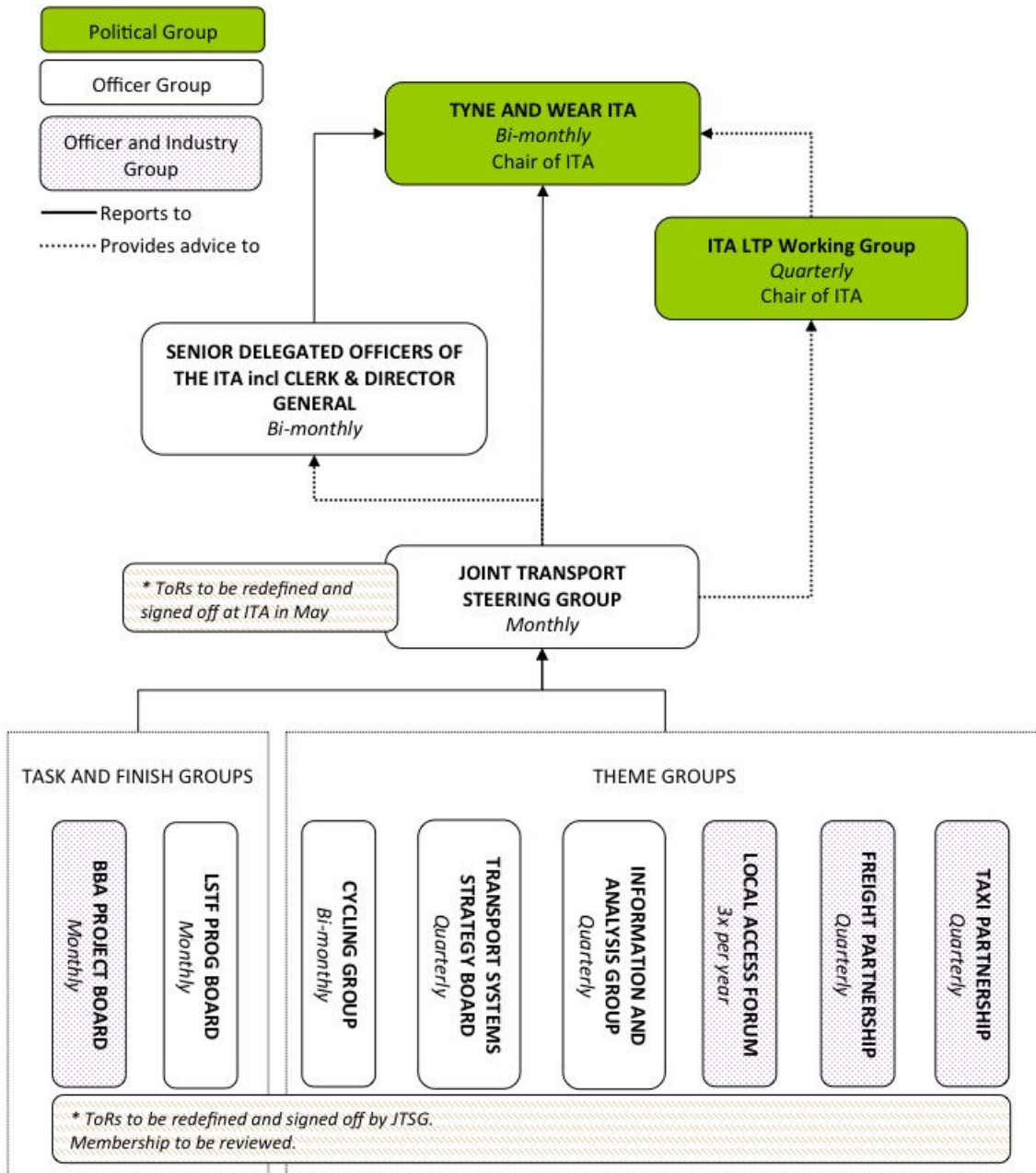
Review

This role and remit will be reviewed annually.



ANNEX B

EXAMPLE REPORTING STRUCTURE – TO BE CONFIRMED IN JULY





DATE: 23 May 2013
SUBJECT: General Policy Update
REPORT OF: Clerk to the ITA

PURPOSE OF REPORT

To provide ITA Members with a brief overview of current or emerging national transport policies, funding opportunities and consultations that have a direct link to transport and the ITA's ability to meet its objectives.

RECOMMENDATIONS

ITA Members are asked to note the report.

BACKGROUND DOCUMENTS

Copies of all documents referenced in this paper (including consultation responses) are available from the contact officers.

CONTACT OFFICERS

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IMPACT ON OBJECTIVES

To support economic development and regeneration	Neutral
To address climate change	Neutral
To support safe and sustainable communities	Neutral



1. Executive Summary

- 1.1 This paper outlines a range of policy decisions, consultations, funding decisions and announcements made by government since the ITA received their last bi-annual update in November 2012. While the paper includes information that may be of interest to ITA members and covers various transport sectors, including road, rail and aviation, it is not an exhaustive list of every policy of relevance to transport.

2. Aviation Policy Framework

- 2.1 The Department for Transport's (DfT) aviation policy framework, published on 22 March 2013, sets out objectives on the issues that affect the development of aviation. The contribution aviation makes to the UK's economy is recognised and the document sets out plans to enable the sector to continue to make a significant contribution to economic growth. The document also encourages the independent Airports Commission to consider important issues, including climate change and noise.
- 2.2 One of the document's objectives is to tackle airport capacity issues in the south east of England. The Davies Commission into airport capacity, led by Sir Howard Davies, will determine what, if any, additional airport capacity might be required to meet the UK's aviation needs in the medium and long term and will be guided by the policy framework. The interim report will be made available towards the end of 2013 and it is expected that the final report will be published in mid 2015.
- 2.3 The document, which covers the whole of the UK not just the south east, guides plans at the local and regional level. The document replaces the 2003 Air Transport White Paper and is underpinned by two principles:
- Collaboration: working together to identify challenges which must be resolved and coming up with a solution; and,
 - Transparency: ensuring that clear, independent information on processes are in place.



3. Better Bus Areas

3.1 As discussed at the ITA meeting on 28 March 2013 (agenda item 13), the bidding process for designation of better bus areas commenced on 26 February 2013.

Bus Service Operators Grant (BSOG) will be gradually phased out in areas that are successful in securing Better Bus Area (BBA) status. Instead, the equivalent funding, plus an additional top-up capital grant of 20%, will be paid to local transport authorities. The funding will be used to support capital and revenue bus schemes, including real time information, new tendered services and bus priority lanes. In order to receive the 20% top-up capital grant schemes must be submitted that will demonstrate an increase in patronage on routes via the improvements implemented.

3.2 Bidding is open to all local transport authorities in England, with the exception of those in London. The deadline for applications is 21 June 2013 and successful applicants will be awarded BBA designation on 1 October 2013.

4. Cycling Investment Fund

4.1 On 30 January 2013, the government announced a £42 million grant for cycling. The grant is to be used for capital funding and should be spent on infrastructure improvements. Despite a focus on cycling, the benefits of integrated travel are recognised and the government states that they will look favourably upon cycling schemes that enhance the pedestrian environment.

4.2 There are two elements to the grant: an urban element and a rural element for national parks. The deadline for applications was 30 April 2013.

4.3 Only cities awarded 'City Deal' status as part of the first wave of city deals and those applying to be second wave cities were eligible to apply for the urban element of the grant; the 'Cycle City Ambition Grant'. The grant will support the initial two years of a long-term cycling strategy and cities must commit to providing long term funding.

4.4 Newcastle City Council submitted a bid for funding from the Cycle City Ambition Grant. The bid requests funding to deliver the first two years of a 10-year project to create a city-wide strategic cycle network. If successful the bid will enable the first two years of the project, namely the completion of four of seven strategic cycle routes. The project, which aims to make Newcastle a city that is 'Fit for Cycling', will create partnerships to build a strategic cycling network, supporting city centre



regeneration, housing growth and access to training and employment across the City Deal area.

- 4.5 The rural element of the fund is available to areas covered by national parks and funding will be available via the 'Linking Communities' Fund. In order to be successful, bidders must demonstrate how they will enable more people to cycle.

5. Cycle Safety Grants

- 5.1 £40 million has been made available to improve the design and layout of a number of England's roads, with the aim of making cycling safer. £20 million of the fund comes from the DfT and the other £20 million is provided by local authorities as match funding.
- 5.2 78 cycle safety projects in England, including Newcastle City Council's Gosforth Great North Road and High Street scheme and North Tyneside's North Shields – Beach Road scheme, have been awarded funding. All successful schemes are required to provide match funding and projects must be completed in the next twelve months.
- 5.3 The successful schemes include: reallocation of road space; simplification of road layouts; installation of 'Trixie' mirrors (large mirrors that improve blind spot visibility and are generally installed at junctions); changes in priority; lower speed limits; changes in junction layouts; and the provision of bypasses.

6. Door to Door Strategy

- 6.1 The DfT's Door to Door Strategy aims to ensure that journeys made by sustainable transport, such as public transport, are supported by cycling and walking. The strategy, published on 14 March 2013, sets out how this may be achieved and acknowledges the need to consider the entire journey from door-to-door rather than just one element of it.
- 6.2 There are many different departments within the DfT that contribute to delivering more convenient and efficient journeys by sustainable modes of transport. This strategy acknowledges this, and aims to bring the different areas of work together for the first time.
- 6.3 The strategy identifies four key areas that need to be addressed if people are to be



encouraged to travel sustainably. They are:

- accurate, accessible and reliable information about different transport options for their journey;
- convenient and affordable tickets, for an entire journey;
- regular and straightforward connections at all stages of the journey and between different modes of transport; and,
- safe and comfortable transport facilities.

The strategy focuses on these four key areas and outlines what can be done to encourage people to travel sustainably.

7. The strategic road network and associated funding

- 7.1 The DfT has recently published a strategic road network performance specification that covers a number of matters such as: delivery of major schemes; pinch point schemes; asset management; development control; journey time reliability; safety; efficiency; and devising route-based strategies. Five year indicative funding allocations for the strategic road network (SRN) are to be set by the DfT.
- 7.2 The document, which was recommended by the 2011 Cook Review into the SRN, outlines the high level performance outcomes from the SRN to be secured by March 2015 and includes a statement of the funds available up until March 2015. The document also includes a summary of the DfT's traffic forecast calculated in 2011; this predicts traffic on the SRN will increase to 88.4bn vehicle miles in 2015 and 122.8bn in 2035. Given the expected increases in use, it is important that the strategic road network (SRN) infrastructure is upgraded. This is particularly important in areas where there are pinch points.
- 7.3 A number of schemes have recently been awarded funding for upgrading the SRN. These schemes include A1/Lobley Hill improvement scheme, New Tyne Crossing and A1/A19 Interchange at Seaton Burn.
- 7.4 Via Newcastle's 'City Deal' process £64m of funding has been awarded to implement a scheme that will reduce congestion at the Lobley Hill pinch point on the A1. The project is being co-ordinated by the A1 Western Bypass Programme Board, on which the ITA has officer representation. The programme board, DfT and Highways Agency (HA) are working closely together to ensure that the scheme is progressed.



- 7.5 The New Tyne Crossing Project, commissioned by the TWITA, enhances the SRN and outlines the ITA's commitment to improving the transport infrastructure in the region. Tyne Tunnel 2 completes dualling of the A19 between Northumberland and North Yorkshire resulting in significantly reduced congestion and greatly improved journey times.
- 7.6 The design and delivery of the New Tyne Crossing has been highly commended, with the project winning several awards, including the Institute of Civil Engineering's special Robert Stephenson Award 2012 and more recently, in April 2013 the Project of the Year accolade at the Royal Institution of Chartered Surveyors North East Renaissance Awards.
- 7.7 It is expected that three national pilot Route Based Strategies studies, one of which covers the A1 from junction 62 in Durham to Seaton Burn, will be published in the near future. These Strategies are being produced by the HA on behalf of the DfT and are intended to provide a strategic framework for investment in key routes.

8. Tranche 3 Pinch Point Fund

- 8.1 Works on the Seaton Burn junction specified as part of the national 'pinch points' programme are expected to commence in March 2014. In April 2013, it was announced that a further 58 schemes will receive funding as part of the third and final phase of the national pinch point programme, bringing the total investment for the 123 scheme programme to £317 million. This figure includes an extra £100 million announced in the 2012 autumn statement.
- 8.2 The A19/A1231 (Wessington Way) will receive £2.59m in funding as part of tranche three of the pinch point programme. The scheme, which will commence in 2014, will consist of works to improve the junction, including the widening to the eastbound approach and improving the operation of the existing traffic signal arrangement to reduce delays and ease congestion.

9. The Local Pinch Point Fund

- 9.1 The government has received over 170 bids from local authorities, requesting more than £400 million from the Local Pinch Point Fund. All seven north east local authorities submitted at least one bid for funding and the North East Local Enterprise Partnership (LEP) provided a letter of support for each bid.



- 9.2 The first 10 schemes to be awarded Local Pinch Points funding were announced on 22 March 2013. The 10 schemes will receive £25m from the £170m fund and all will commence in the coming year. The funding must be spent by the end of March 2015.
- 9.3 The successful schemes announced in tranche one are in Buckinghamshire, Cheshire East, East Riding of Yorkshire, Halton, Hull, Northamptonshire, Peterborough, Southampton, Essex and Kent.
- 9.4 The remaining schemes are currently being assessed. Further announcements on successful schemes are expected imminently.

10. Rail devolution in the north of England

- 10.1 The DfT's has released a revised timetable for awarding rail franchises has resulted in the proposals to devolve the north of England's local rail services to be delayed by two years (see Annex A).
- 10.2 The DfT's eight-year timetable for awarding franchises acknowledges the recommendations of the Brown review of the franchising process and limits the number of new franchises to three or four per year. In order to ensure that this number is not exceeded, the DfT intends to extend a number of existing contracts, including those for the Northern and Transpennine franchises. The Northern franchise's contract will be increased by 22 months and the Transpennine contract by 10 months, providing the opportunity for the two franchises to be merged at a shared end-date to the franchises.
- 10.3 Plans to take over the management of Northern and Transpennine rail franchises are being drawn up by local authorities in Greater Manchester, West Yorkshire and South Yorkshire (RiNE). Whilst the delay to awarding the northern franchise is longer than expected, local authorities developing proposals state that this will provide them with more time to refine devolved governance arrangements.
- 10.4 In the north east, at officer level, work on rail devolution is being taken forward by the Rail Officers' Working Group (ROWG). This group is chaired by the Director of Rail and Infrastructure, Nexus, and officers from each of the 12 north east local authorities, the North East LEP, Tees Valley Unlimited (Tees Valley LEP) and the Association of North East Councils (ANEC) are invited to attend. This group reports to the Rail Devolution Strategic Group (RDSG) – a sub-group of the regional Chief Executives group, with a remit to steer the North East's input and investigation into



rail devolution and in particular manage communication with the RiNE authorities on behalf of ANEC Leaders.

- 10.5 The RDSG recently obtained a decision from Leaders that £300k from the joint NESTI project can be used to inform technical work that might be required to more fully understand the implications of creating an autonomous business unit for NE rail within a wider franchise operation (outlined in para 7.5 of the outturn report elsewhere on the agenda).
- 10.6 A specialist rail consultant has been appointed by the RDSG (contracted via Nexus) to take forward technical work to understand the costs and implications of an autonomous north east business unit. This consultant also provides a resource to ensure NE attendance at technical meetings convened by the RiNE.
- 10.7 The 12 local authorities have been in constant communication with the RiNE authorities with respect to their proposition relating to rail devolution. The first correspondence with the RiNE was initiated in June of last year and the RiNE governance proposition has been through several iterations in recent months.

11. Rail franchising

- 11.1 On 26 March 2013 the DfT outlined the Government's revised approach to rail franchising. The new approach to franchising is intended to:
- provide long-term certainty to the market;
 - support the DfT's programme of rail investment; and
 - outline the Department's actions to respond to the independent Brown review.
- 11.2 The DfT's work on rail franchising will receive independent advice and support from the Franchise Advisory Panel. The panel will be headed by Richard Brown, author of the 'The Brown Review of the Rail Franchising Programme', an independent report that explores the future of rail franchising and puts forward a number of recommendations.
- 11.3 The immediate start of the competition for the East Coast franchise was also announced on 26 March 2013. It is intended that the new East Coast Franchise will be in operation by February 2015. The timetable outlining the franchise dates is included as Annex A.



12. Network Rail's long distance rail plans

- 12.1 Network Rail is conducting a study on the approach to long-distance rail travel. The study will have four parts and will examine the demand for travel over distances in excess of 50 miles and the demand for journeys of at least 30 miles where a significant proportion of travel is for business purposes. The four parts of the study are: long distance rail travel; regional urban passenger demand; London and South East passenger demand; and freight.
- 12.2 Each part will look at four scenarios for the country's economy: 'prospering in global stability'; 'prospering in isolation'; 'struggling in global turmoil'; and 'struggling in isolation'. It will predict demand for long-distance travel and the share rail may carry for each scenario.
- 12.3 The draft Long Distance Market Study was published on 27 March 2013 and can be accessed at www.networkrail.co.uk/ltp. The draft document, (released for consultation) seeks to outline how rail will help to deliver 'conditional outputs' that would meet the strategic goals of both current and potential funders. The consultation closes on 28 June 2013.
- 12.4 Responses to rail issues that impact upon the North East have been pro-actively managed on an Association of North East Councils (12 Local Authorities) geographical area. Officers from Nexus and the ITA are involved in these discussions and a response to the consultation will likely be facilitated on this basis.
- 12.5 Network Rail has held several seminars in the North, hosted by Nexus, and officers have provided evidence to inform the long term planning process.

13. High Speed Rail 2 (HS2)

- 13.1 Plans for the second phase of High Speed 2 were outlined on 28 January 2013. The preferred route for the second phase travels north from London, splitting into two branches. New stations are proposed at Toton (near Nottingham), Manchester, Sheffield, Leeds and Manchester Airport (see Annex B).
- A final decision on the route will be reached in 2014 following a public consultation – this decision will include consideration of a proposed change announced on 13 May, to tunnel under the East Midlands Airport.
- 13.2 A consultation on the Exceptional Hardship Scheme, which sets out compensation proposals for owners of properties affected by the second phase of High Speed 2,



also began on the 28 January 2013 and closed on 29 April 2013.

13.3 Under the scheme, the intention is to pay more than the minimum statutory compensation of 100% un-blighted value, to home-owners affected by HS2. Instead, DfT will award properties affected by HS2 110% of the full un-blighted value and residents will also receive an additional 'home loss payment' of 10% of the property's un-blighted value (capped at £47,000). Only properties situated within 60 metres of the high speed track will be eligible. In addition, a 'voluntary purchase zone' will be established in rural areas that are located immediately outside of the area safeguarded for the HS2 route.

13.4 At present values, the High Speed 2 project is expected to cost £32.7bn and the benefits of the project are expected to be worth approximately £47bn.

It is proposed that construction of the high speed line would start in 2017 and be completed by 2025, with train services between London and Birmingham commencing in 2026.

14. Review of appraisal methodology

14.1 Following a review of their appraisal processes the DfT have published a monitoring and evaluation strategy that outlines their intentions to improve the way in which the department monitors and evaluates transport projects. The strategy sets out a framework for ensuring that good quality monitoring and evaluation evidence is produced, resulting in the right decisions being undertaken and the positive impacts of spending being maximised.

15. The Heseltine Review

15.1 Lord Heseltine's independent report entitled 'No stone unturned in the pursuit of growth' aims to improve the country's ability to grow the economy. The report's 89 recommendations outline – in Lord Heseltine's view – how to:

- inject stability into the economy
- create the conditions for growth, and
- maximise the performance of the UK

15.2 The report argues for "a major reconfiguration of responsibilities for economic development between central and local government, and between government and the private sector". At the heart of the report is a case for decentralising



economic powers from central government to “those who are best placed to understand and address the opportunities and obstacles to growth in their area”.

- 15.3 In March 2013, the government responded to Heseltine’s report by publishing a report in which 81 of the 89 recommendations were accepted, either in full or in part.
- 15.4 The response states that the Government will:
- Create a Single Local Growth Fund, allocated through a process of negotiation and using ‘competitive tension’ to strengthen incentives on Local Enterprise Partnerships (LEPs) and their partners to generate growth;
 - Ask LEPs to develop new strategic multi-year plans for local growth, which will be the basis on which the Government negotiates deals with each LEP for levers, resources and the flexibility over them; and
 - Streamline the management of the EU Structural and Investment Funds in England and align priorities on the basis of the plans led by LEPs.
- 15.5 The Single Local Growth Fund will incorporate transport, housing and skills funding, and possibly other economic growth-related funding streams. There will be no ring-fencing within the fund and appropriate accountability structures at local and national levels must first be in place to deliver this step change and it will be up to local areas to determine which governance structure is right for them. Further details will be announced in the outcome of the spending review for 2015/16 on 26 June. It is expected that the Single Local Growth Fund will subsume the funding outlined in the next section of this report. However DfT have directed all areas to continue with the work outlined in section 16 in preparation for this change.

16. Local Major Schemes devolution

- 16.1 As outlined in the past two policy updates brought to ITA (May and November 2012), democratically accountable Local Transport Bodies (LTBs) will be responsible for establishing a programme of local major scheme priorities for delivery beyond 2015. Whilst LTBs will oversee the delivery of individual schemes, they will not be required to deliver them. This responsibility will remain with local authorities and other relevant delivery agencies.
- 16.2 An Assurance Framework, outlining the governance arrangements for the North East Local Transport Body (NELTB), has been produced and submitted to the DfT for approval in February 2013. The ITA Delegated Committee signed off the Assurance



Framework on 14 February 2013 and, at their meeting on 28 March 2013, the ITA Committee was updated on progress towards establishing a LTB and developing a prioritised programme of local major schemes.

- 16.3 Once the DfT has approved the Assurance Framework, the NELTB will be formally established. The NELTB, which will meet as part of the LA7 Leadership Board, will be responsible for managing the delivery of schemes and allocating funding in the north east. The NELTB will consist of eight voting members (the seven local authorities plus the Tyne and Wear Integrated Transport Authority) and one non-voting member (the North East Local Enterprise Partnership).
- 16.4 The DfT has indicated that the NELTB will receive £46.7m for major schemes for the period 2015-19. The number of schemes currently exceeds the available funding; therefore a prioritisation process focused on policy fit, deliverability and value for money is underway. The Senior Officers Transport Advisory Group (SOTAG) is currently managing the process to prioritise and fund major schemes, with assistance from JMP Consultants Ltd. The final decision on prioritisation will be made by the NELTB.
- 16.5 SOTAG membership consists of officer representation from the seven north east local authorities, the TWITA, Nexus and the NELEP. The group currently reports to the LA7 Leadership Board (with consideration given to the membership outlined in 16.3) via the LA7 Economic Directors and LA7 Chief Executives groups.
- 16.6 The DfT have directed all LTBs nationally to provide different packages of scheme options to reflect the potential for plus or minus 30% the level of identified funding. The NELTB must provide a list of prioritised schemes for the three differing funding scenarios to the DfT by the end of July 2013.

17. North East Independent Economic Review

- 17.1 In September 2012 the North East Local Enterprise Partnership announced that it had asked Lord Andrew Adonis to lead an independent review of the area's economy. The review team Lord Adonis established was asked to prioritise growth and productivity in a short list of priority actions.
- 17.2 The independent review recommended that additional powers and resources – within a proposed Combined Authority (CA) – should promote better transport, skills and economic development. Specifically in relation to transport the review recommended two main strands:



- Set up 'Transport North East', a capable new transport agency to serve the CA, tasked with producing and delivering the Transport Strategy for the CA, using pooled funding in a proposed North East Infrastructure Fund; and
- In parallel with this, all partners should adopt the recommended immediate transport priorities (identified within the review) for roads, public transport air and sea, and speak with a single regional voice to promote them to stakeholders and government.

17.3 The North East Local Enterprise Partnership is yet to formally respond to Lord Adonis' independent review.

18. Next Steps

18.1 Policy Seminars will continue to take place in non-ITA committee months (as outlined in agenda item 10) and a further policy update report will be brought to the ITA committee in November

19. Potential impact on objectives

19.1 Some of the policies or proposals outlined in this report could potentially have an impact on the ITA's key objectives.

It is anticipated that the following policies or proposals will have an impact on the objective: to support economic development and regeneration;

- Local Major Schemes Devolution
- Local Pinch Point Fund
- Tranche Three Pinch Point Fund
- Government's Response to the Heseltine Review- particularly the introduction of a Single Local Growth Fund
- North East Independent Economic Review

The following policies are expected to have an impact on the objective: to support safe and sustainable communities;

- Cycling Investment Fund
- Cycle Safety Grants
- Door to Door Strategy

All three of these policies aim to make sustainable travel easier and safer.

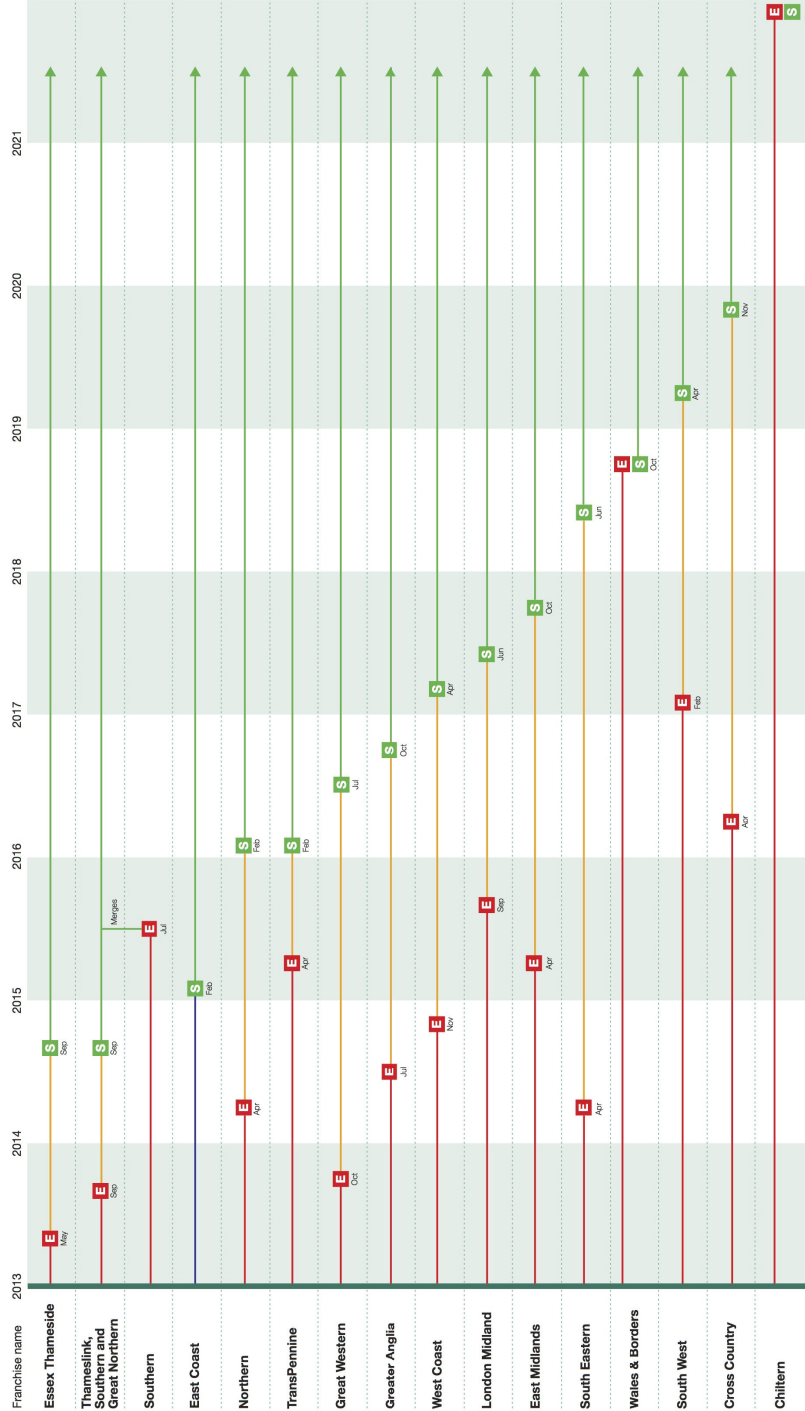


ANNEX A – TIMETABLE FOR RAIL FRANCHISING



Department for Transport

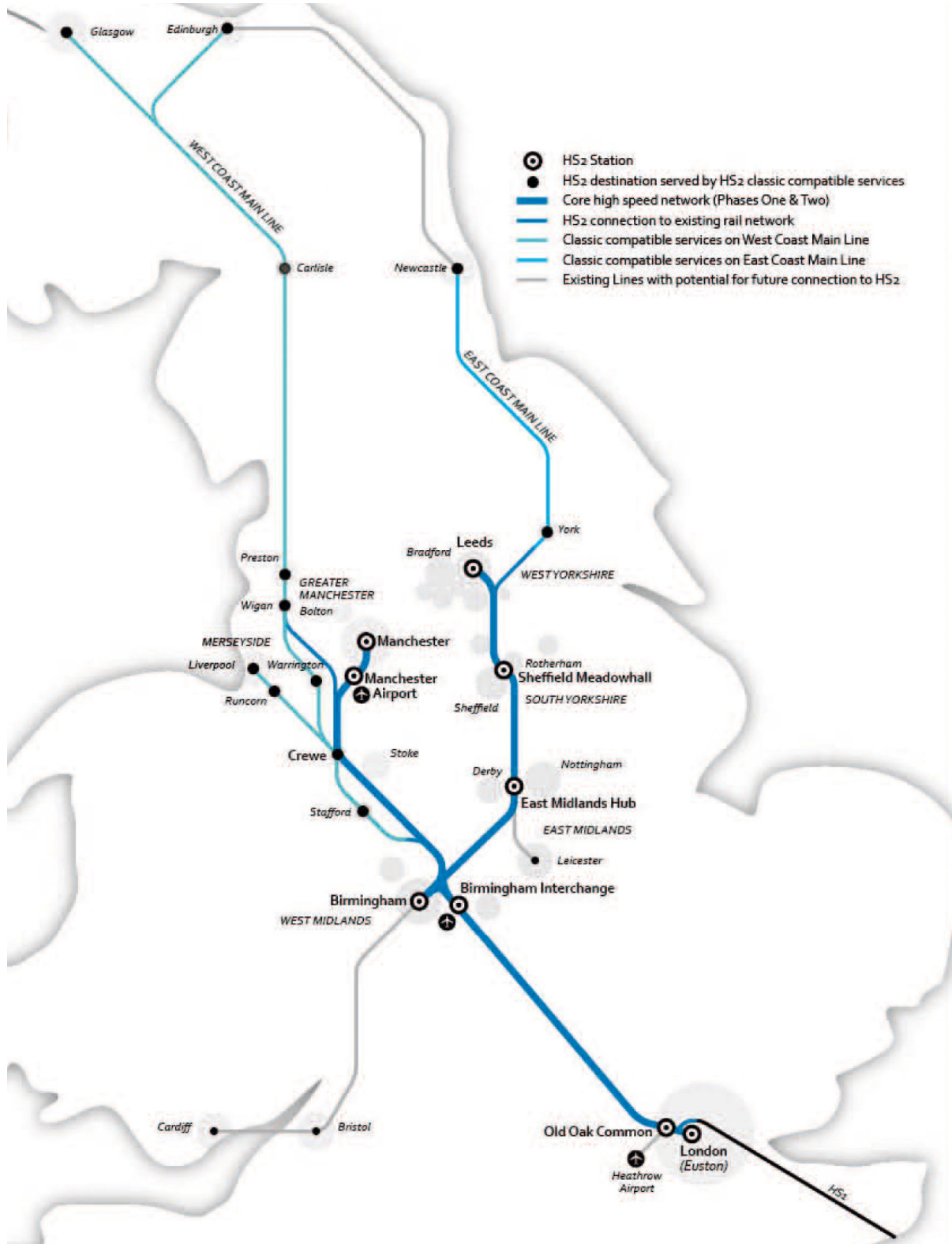
Rail franchise schedule



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ANNEX B – HIGH SPEED 2 ROUTE MAP



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DATE: 23 May 2013

SUBJECT: TYNE PEDESTRIAN AND CYCLIST TUNNELS (TPCT) – PHASE 3
IMPROVEMENT WORKS UPDATE

REPORT OF: PROJECT DIRECTOR TO THE NEW TYNE CROSSING

PURPOSE OF REPORT

This report informs members of progress with the Phase 3 Improvement Works and the associated arrangement to maintain this cross Tyne link for users.

RECOMMENDATIONS

The Authority is recommended to note the progress made to date.

BACKGROUND DOCUMENTS

Report dated 22 July 2010 TPCT – Investment Proposals

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IMPACT ON OBJECTIVES

To support economic development and regeneration	Positive
To address climate change	Positive
To support safe and sustainable communities	Positive



1 Executive Summary

- 1.1 This report informs members of the progress made with main contractor for the Phase 3 works. It also informs of the key dates issued by the main contractor and communicated to users and the general public. The report also appraises members of the arrangements that have been made to ensure that Tyne Pedestrian and Cyclist Tunnel (TPCT) users will be able to cross the Tyne during the works and also of restrictions that will apply.

2 Introduction and background

- 2.1 The major maintenance liability for the TPCT was retained by the TWITA in the Project Agreement entered into with TT2 Ltd on 23 November 2007. Since then there have been a number of breakdowns of the lifts and the escalators. On 2 February 2010 the TWITA gave approval for the award of a contract for the modernisation of the lifts. Works duly started on site in March 2010 and were completed in December 2010. In the meantime, the escalators continued to experience difficulties (and in summer 2011 the last escalator in working order failed and has not operated since).
- 2.2 In July 2010 the TWITA considered the future for the TPCT and in reaffirming their importance as a sustainable and important piece of transport infrastructure set a budget of £6m for the Phase 3 Improvement Works. These works primarily entail the removal of 2 escalators and the installation of 2 inclined lifts and the complete overhaul/replacement of the Mechanical & Electrical systems.
- 2.3 The TPCT is a Grade II Listed Building and a Conservation Plan was developed by the New Tyne Crossing (NTC) Project Team in 2009. Any works to the fabric of the TPCT requires Listed Building Consent. The details for the Phase 3 Improvement Works were developed in early 2011 in sufficient detail to accompany an application for Listed Building Consent (LBC). An application was lodged with the Local Planning Authorities (LPAs) in April 2011. The application was given careful consideration and scrutiny by the LPAs and LBC was finally granted in October 2011 but with a number of conditions. The major elements of the conditions related to the inclined lifts – the major change to the TPCT in the Phase 3 Improvement Works.
- 2.4 These particular conditions could not be discharged until an inclined lift supplier had been identified and their detailed designs worked up. To attempt to include the inclined lifts in the main tender without having satisfied the conditions would



represent a substantial risk to the TWITA. Consequently the procurement strategy adopted was to shortlist appropriate suppliers for the inclined lift and issue tender documents, and then to evaluate the tenders and select the most economically advantageous tender on the basis that the supplier would develop the details sufficiently for the TWITA to use them to satisfy the conditions. An advanced tender for the inclined lift was issued on 26 September 2011 and returned on the 31 October 2011. The returns were evaluated and reported to the NTC Project Board in January 2012. The preferred contractor for the inclined lift is Maspero Elevatori and the necessary details and samples required by the LPA's to satisfy the relevant conditions were despatched on 24 January 2012.

- 2.5 The OJEU Notice for the procurement of the main contractor was issued on 18 November 2011. The Pre-Qualification Questionnaire returns were received on 19 December 2011. At the meeting of the TPCT Procurement Board on 26 January 2012 a shortlist of 4 companies was approved. Maspero supplied samples and sufficient details to allow the LPAs to discharge the relevant Condition on the LBC. Detail design drawings from Maspero identified a spatial conflict for the target sizing for the lift car. This issue was addressed, as was the attendant implications, allowing the tender documents to be finalised and issued to the short-listed contractors on 20 July 2012. There were some relatively minor amendments made that necessitated the need to modify the LBC – the necessary documentation was duly submitted to and approved by the LPAs. The tender documents returned on 3 September 2012 and were evaluated by the project team.
- 2.6 Details of the tender evaluations were reported to the Delegated Committee of the Authority on 20 October 2012. Approval was given to accept the tender submitted by GB Building Solutions (GBBS) and the overall budget was adjusted to £6.5m to reflect the tender returns and price fluctuations since July 2010.

3 Progress

- 3.1 Following the approval by the Delegated Committee on 20 October 2012, the Project Team engaged on a dialogue with GBBS to clarify a number of technical and insurance details prior to being able to issue the Letter of Award on 28 March 2013. The unsuccessful tenderers were also informed of the outcome of the procurement process.
- 3.2 Since then, GBBS have been engaged on making the necessary arrangements to establish the site set up, arrange sub-contracts for materials and services and so on.



They have issued the following key programme dates:-

7th May 2013 – site set up works start (on North side of the river)

20th May 2013 – main works start

23rd June 2014 – main works complete

3.3 On the day that the main works start – 20th May 2013 – the TPCT will be closed to the public and GBBS will have control over the tunnels. TT2 Ltd who are contracted to carry out the routine maintenance and operation of the tunnels under the NTC Project Agreement, will cease this activity until the tunnels are handed back in accordance with the Phase 3 Improvement Work Contract.

3.4 The Phase 3 Improvement Works will include:-

- Removal of the west wooden escalator on both sides of the River Tyne;
- Installation of inclined lifts in the space vacated by the 2 removed escalators;
- Repairs to the building fabric to the 2 rotundas;
- Installation of new electrical equipment – particularly new lighting, CCTV, sensors and help stations;
- Repairs/ replacement to the tiling as necessary;
- Repairs/ replacement to the flooring in the rotundas and lower halls;
- Repairs/ replacement to the floor panels in the tunnels as necessary; and
- Removal of the sprinkler system that was installed following the Fennel Report in 1988 (because the fire load and risk is greatly reduced by the extraction of 1 escalators and the removal of the public from the remaining escalators).

4 Shuttle Bus

4.1 To maintain the pedestrian/ cycle cross Tyne link a Shuttle Bus Service has been provided. It will operate between the hours of 06:00 and 20:00 every day from 20 May 2013 until the tunnels are opened again for public use. The service will be free of charge for users and will run from Tyne View Terrace, East Howdon to Tyne Street, Jarrow (effectively rotunda to rotunda). The service will be timetabled and this information will be disseminated in accordance with the TPCT Communication Plan. The coach operator will be Priory Coaches Ltd who were procured in open competition and their tender approved by the TWITA Delegated Committee on 20 October 2013.



5 Night Transport Service

- 5.1 The NTC team became aware that there are a small number of TPCT users who rely on the tunnels to commute to work between the hours of 20:00 and 06:00. These are shift workers who have no other form of travel and consequently would experience hardship if these tunnels became unavailable. The issue was discussed by the Tyne Tunnels Working Group. It was considered appropriate to provide a night service to transport these people across the Tyne between the rotundas.
- 5.2 Taxi firms were invited to supply estimated for providing a night shuttle service, however the costs returned were excessive and not considered value for money. TT2 Ltd was approached and helpfully suggested a solution that will be effective and affordable. TT2 will provide a driver and a suitable vehicle that can carry three people and their bicycles at a time and will be available throughout the night. People wishing to use the scheme will be required to pre-register and agree to abide by the terms of the scheme: abuse will result in a withdrawal of the service. To date 30 people have pre-registered with the TWITA to use this night transport service. The estimated cost of providing the service is £49K and will be provided by TT2 Ltd in lieu of the savings on maintenance that they will realise as a result of the TPCT being shut down for 13 months.

6 Next Steps

- 6.1 The works will be overseen by the NTC team based in TT2 Ltd's offices and the Project Director will regularly report on progress to the TWITA.
- 6.2 The NTC Communication Team will activate and maintain the Communication Plan including continuing dialogue with the adjacent communities, their representatives, pedestrian and cyclist groups and organisations and the local authorities.

7 Potential impact on objectives

- 7.1 The refurbishment/improvement of the TPCT will secure the future operation of this important transport link across the River Tyne. It provides specifically for pedestrians and cyclists and as such contributes positively to addressing climate change by encouraging non-motorised and fossil fuel burning modes of travel. This also has the benefit of helping to reduce the number of motor vehicles on the roads



and so reduce the probability that inappropriate residential roads will be used, to the benefit of the local communities. The TPCT is also neutral in terms of economic development and regeneration because it aids access to jobs in the A19 corridor for those who do not own a car.



REPORT FOR INFORMATION

DATE: 23 MAY 2013

SUBJECT: 2012/13 CAPITAL PROGRAMME – OUTTURN REVIEW

REPORT OF: THE TREASURER, ITA AND DIRECTOR OF FINANCE AND RESOURCES,
NEXUS

PURPOSE OF REPORT

To advise Members of the overall performance of the 2012/13 Capital Programme, including delivery to the end of the financial year. The report covers the diverse range of activities for which the ITA is the accountable body.

RECOMMENDATIONS

The ITA is asked to:

- note the position with regard to the 2012/13 Capital Programme outturn, as outlined in Section 2.

BACKGROUND DOCUMENTS

Metro Capital Programme 2012/13

2012/13 Non-Metro Capital Programme

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IMPACT ON OBJECTIVES

To support economic development and regeneration Positive

To address climate change Positive

To support safe and sustainable communities Positive

1 Executive Summary

- 1.1 This report sets out the overall performance of the 2012/13 Capital Programme, including delivery to the end of the financial year. The report covers the diverse range of activities for which the ITA is the accountable body.

2 Introduction and Background

- 2.1 The outturn for the 2012/13 capital programme is set out below:-

Expenditure	Latest Approved 2012/13	Out turn 2012/13
	£m	£m
Metro Asset Renewal Plan	41.633	40.675
Metro Ticketing and Gating	7.257	5.940
NESTI Project (Gross)	4.416	3.235
<u>Less:</u> NESTI contribution to T&G	(2.545)	(2.545)
Tyne Tunnels	1.350	1.084
LTP Integrated Transport Block Allocation	8.509	8.509
Nexus/LTP Public Transport Allocation	2.004	1.703
Better Bus Area Fund	2.600	2.262
LSTF Projects	0.747	0.302
Total Expenditure	65.971	61.165

3 Metro Asset Renewal Plan

- 3.1 This reflects the third year of an ambitious eleven year programme to renew the Metro network where investment is directed towards those assets where there is greatest need, recognising that logistical and other planning processes also play a significant role in determining where resources are deployed in fulfilling the objectives



of Nexus' three year rolling programme of delivery.

- 3.2 During December 2011, Nexus submitted a programme for 2012/13 (including over-programming) totalling £46.007m to DfT. Since then, the programme has been further revised to £41.633m as over-programming levels have been reduced to match DfT spending targets.
- 3.3 The outturn for 2012/13 is £40.475m is detailed in Appendix A. The outturn is slightly less than the revised budget, but is well above the minimum expenditure target for grant purposes for 2012/13 of £37.539m. The reason for the reason for this variation is largely down to commitments being carried forward into the following year.
- 3.4 In terms of ARP financing, members will recall that during 2011/12 it was agreed that the DfT would fund 100% of the ARP through MRG funding meaning that the local contribution was effectively doubled in 2012/13. This has helped Nexus' cash flow and to a small degree attracted additional investment income.
- 3.5 A range of outputs were delivered during the course of the third year of the delivery of the Metro Asset Renewal Plan. These included:-
- Blockade works during August to carry out Plain Line works between Tynemouth and Chillingham Road;
 - Complete renewal of South Gosforth Double Junction, including the installation of a new drainage system;
 - Further progress with $\frac{3}{4}$ life Metro car project with 21 of the 90 cars refurbished by March 2013, which is running to schedule;
 - Progress towards the implementation of the Master Plan of Ducting, Cable and Fibre replacement projects although the majority of this work will now be undertaken in future years following the decision to internalise delivery which has seen the establishment of 60 new posts together with a commitment to recruit 30 apprentices over the next three years;
 - Escalator replacements at Central, Monument, Gateshead and Regent Centre and lift replacements at Four Lane ends, Heworth, Regent Centre and St James; and
 - Progress towards refurbishment works at South Gosforth, West Jesmond, Ilford Road, Walkergate, Hadrian Road, Wallsend and Percy Main stations following the completion of refurbishment works at North Shields, Meadow Well, Howdon and Chillingham Road stations.



4 Metro Ticketing and Gating

- 4.1 The approved 2012/13 capital budget had been set at £7.257m in line with the expected delivery of two major milestones within the year; TOM installation and “Touch In Day”. Whilst the project has not yet achieved the “Touch In Day” milestone the expenditure in 2012/13 was £5.940m, a variation to the approved budget of £1.317m which can be attributed to project slippage (£1.207m) and savings (£0.110m). Nexus now expect to achieve the “Touch In Day” milestone in June 2013.
- 4.2 As at the 31st March 2013 there had been 221/225 TVMs, 108/196 Validators and 10/11 Gatelines installed as part of the project. The project is therefore nearing the end of the Hardware installation with South Shields being the only remaining station without TVMs and Gatelines. Progress achieved will allow the roll out of new products to be commenced in May 2013.
- 4.3 As a result of the expenditure level this financial year Nexus has been able to claim all remaining Section 31 funding from the DfT and also utilise the NESTI contribution of £2.545m in relation to the platform Validator instalments and back office support, removing any grant funding risk within the project.

5 Tyne Tunnels

5.1 New Tyne Crossing

Final completion of the construction programme was signed off by the Independent Certifier on 31 January 2013 following the execution of the Variation Order for which approval was given by the ITA in January and September 2012.

Expenditure in 2012/13 was £0.683m which relates to remaining environmental works and environmental monitoring costs, professional fees for work towards achieving final completion and setting the final concession toll, and costs associated with land transfer work.

5.2 Tyne Pedestrian and Cycle Tunnels

Expenditure in 2012/13 amounted to £0.401m relating to preliminary works and professional fees.

The contract award letter was issued in advance of 31 March, and preparations are now well underway for the major works to begin. The works primarily entail the removal of two escalators, the installation of 2 inclined lifts and the complete



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replacement of all M&E systems. The main works will begin on 20 May 2013 at which point the Pedestrian and Cycle Tunnels will be closed to the public for a period of approximately 13 months. A shuttle bus arrangement will be in place from 6am to 8pm to maintain the link for users during this period, and a pre-arranged taxi service for essential users will also be delivered outside these hours.

A report elsewhere on this agenda sets out more details of proposed works and timescales for these to take place.

6 Nexus / LTP Public Transport Projects

6.1 Local Transport Plan Integrated Transport block funding of £12.459m is available to the ITA in 2012/13. This funding is allocated as follows:

	2012/13
LTP Integrated Transport Block	£m
Gateshead	1.775
Newcastle	2.133
North Tyneside	1.371
South Tyneside	1.089
Sunderland	2.141
Total	8.509
Nexus/LTP Public Transport Allocation	
Nexus LTP Allocation	3.883
B/F 2011/12 Allocation	0.067
Total	3.950
Grand Total	12.459



6.2 The Integrated Transport Block is paid quarterly to the Tyne and Wear Districts on receipt of the grant from DfT.

The public transport allocation of the Integrated Transport block funding for 2012/13 is illustrated in the table below:

	Approved 2012/13	Out turn 2012/13
	£m	£m
Gateshead	0.156	0.156
Newcastle	0.187	0.116
North Tyneside	0.120	0.119
South Tyneside	0.096	0.054
Sunderland	0.188	0.068
Nexus	0.341	0.341
LTP Core Team	0.155	0.155
Metro ARP local contribution	2.640	2.640
	3.883	3.649
B/F 2011/12 Metro ARP local contribution	2.710	2.710
Nexus Additional Contribution	0.694	0.694
B/F 2011/12 Public LTP	0.067	-
Total Expenditure	7.354	7.053

6.3 LTP grant is paid to the ITA as unringfenced capital grant, meaning there are no time limitations attached to its use. Where there has been slippage against schemes during the year there is no loss of funding and the grant can be drawn down by Districts



during 2013/14.

6.4 The original budget for the public transport allocation for 2012/13 as agreed by the ITA in January 2012 was £3.883. The revised budget has been increased due to:

- £2.710m of LTP Public Transport Allocation brought forward from 2011/12 in order to meet the increased local contribution for the Metro ARP during 2012/13 (paragraph 3 above refers).
- £0.694m of Nexus direct funding has been allocated to the non-Metro capital programme in 2012/13.
- £0.067m of LTP district funding not claimed in 2011/12 was carried over into 2012/13.

A list of schemes delivered from the LTP Public Transport Allocation is shown at Appendix B.

7 NESTI

7.1 The ITA acts as accountable body for the North East Smart Ticketing Initiative (NESTI) which is a programme of investment in smart ticketing infrastructure across the north east. The programme is governed via a collaboration agreement which was entered into by all 12 local authorities plus Nexus and the ITA with a bi-monthly programme board to steer progress and bi-annual reporting to ANEC. Nexus acts as programme manager for NESTI.

7.2 The NESTI project scope has expanded throughout the year to incorporate a Regional CMS, Web Retail and Part 11 solution to enable remote uploading of stored travel rights. The lengthy specification and procurement of these deliverables has now completed and the implementation has begun, although the process has diverted project team resources away from the original programme this financial year.

7.3 Whilst the approved budget for 2012/13 is £4.416m the 2012/13 outturn requirement was £3.235m which is £1.181m lower than the approved budget. This is a result of budget savings totalling £0.752m, slippage into future years of £0.449m and additional, previously unbudgeted expenditure of £0.020m.

7.4 The 2012/13 outturn expenditure value includes the contribution to the Ticket and Gating platform validator installation of £2.100m as well as back office upgrade of £0.445m which is required to support the NESTI scheme. This is an indication as to the



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progress that has been made with regard to the installation of hardware within the Ticket and Gating project.

- 7.5 The partnership board meeting held on the 14th December 2012 identified that funding of £0.300m would be allocated to the Rail devolution in the North East studies. This has subsequently been approved by the ANEC Leaders and Elected Mayors Group. As at the 31st March 2013 only £0.020m had been allocated to this study with the remaining forecast expected to be utilised in 2013/14.

8 Local Sustainable Transport Fund and Better Bus Area Funding

8.1 Schools Go Smarter

2012/13 was the second year of the Schools Go Smarter programme, which commenced in autumn 2011. The 2012/13 capital budget of £0.447m related primarily to the purchase of vehicles for parking enforcement, and the school links and school grants workstreams. School grants provides funding for bike sheds, to provide safe places for pupils to store their bicycles, and other works including new paths, pool bikes and tools. School links funds infrastructure work in the Districts making it easier to cycle or walk to school, such as upgrading cycle paths or installing new pedestrian crossings.

Outturn capital expenditure was £0.302m against a budget of £0.447m. Slippage was due to some districts not having their School Links schemes completed by the year end, due to poor weather conditions or extended consultation processes. The schemes involved will be completed during the first quarter of 2013/14 so there is no risk to the overall delivery of the programme, and no funding will be lost.

8.2 Go Smarter to Work

In September 2012, the ITA was informed that it had been successful in its revised bid for further Local Sustainable Transport (LSTF) funding to support the 'Go Smarter to Work' programme. The grant was received from the DfT in December 2012. Capital works are focused around infrastructure investments, implementing the physical infrastructure work necessary to make cycle, walking and public transport trips a more attractive alternative to car use; and improved information including use of open data sources and Real Time Passenger Information (RTPI) to enable the transport user to access more reliable and up-to-date details of transport services.

A small amount of capital expenditure has been drawn down in 2012/13 by Nexus in relation to the RTPI element of the programme but the majority of the 2012/13



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allocation will now be delivered in 2013/14 since the programme only began during the final quarter of the financial year.

8.3 Better Bus Area Fund

£2.600m of Better Bus Area Fund grant was available to fund capital works in 2012/13. £2.262m has been utilised during 2012/13, in relation to procurement of equipment including CCTV, Automatic Number Plate Recognition, co-ordination of traffic signal installations and infrastructure works on specific routes. A further £1.627m of capital works are programmed for 2013/14 for the completion of the project.

8.4 Reports on both the delivery and financial aspects of the Go Smarter programme and the Better Bus Area Fund project are to be reported to the ITA during the summer.

9 Capital Programme Financing

9.1 The following table sets out how the ITA’s capital programme for 2012/13 will be financed, based on the projected outturn as set out in this report:-

Funding Type	Funding Allocated in 2012/13	
	£m	£m
Grant		
Metro Rail Grant	33.123	
Section 31 Grant	3.008	
LTP Integrated Transport Block	8.509	
LTP Public Transport Block	6.359	
LSTF	0.307	
Better Bus Area Funding	2.262	
SMART Ticketing Grant	0.387	
Total Grant		53.950
Prudential Borrowing		1.084
NESTI		3.235
Nexus RCCO		2.896
Total Funding		61.165

9.2 The table above shows a total outturn funding requirement for 2013/14 of £61.165m, compared with the latest outturn projections of £65.971m as identified in section 2 of this report.



10 Next Steps

- 10.1 The 2013/14 programme will be monitored throughout the financial year and reported to the Authority on a quarterly basis.

11 Potential impact on objectives

- 11.1 Successful delivery of the capital programme has a positive impact on each of the ITA's objectives.



Appendix A – Metro Asset Renewal Plan

Asset Category	Latest Approved Budget	Outturn 2012/13
	£m	£m
Civils	2.886	2.892
Communications	4.032	4.079
Depot Equipment	0.163	0.162
Level Crossings	0.125	0.125
Mechanical and Electrical	4.120	4.064
Metro Cars	6.907	6.887
Miscellaneous	1.097	0.573
Overhead Line	0.100	0.089
Permanent Way	16.604	16.592
Plant	0.711	0.712
Power	0.576	0.486
Signalling	1.532	1.471
Stations	2.780	2.543
Total Approved 2012/13 Capital Programme	41.633	40.675



Appendix B – LTP Public Transport Allocation Schemes

District and Schemes	Outturn 2012/13
	£m
Gateshead Durham Road Quality Transport Corridor improvements	0.156
Newcastle Various Bus Route Improvement works inc. John Dobson St, Pooley Rd, Whickham View	0.116
Nexus Replacement Bus Stop Flags	0.080
Bus Infrastructure Improvements	0.095
Bus Stop Improvements	0.121
Four Lane Ends & Gateshead Improvements	0.045
North Tyneside Balliol Bus Link	0.119
South Tyneside Lindisfarne Roundabout and Prince Edward Rd works	0.054
Sunderland Bus Stop Improvements	0.048
Londonderry Triangle	0.020
Total	0.853

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