

## Joint Transport Committee Audit Committee

Wednesday, 30th November, 2022 at 10.00 am

Meeting to be held in a Saltwell Room - Civic Centre

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## AGENDA

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Page No

1. **Apologies for Absence**

2. **Declaration of Interests**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be given to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.

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|----|--|----------------|
| 3. | <b>Minutes of the inquorate meeting held on 13 July 2022</b>             | <b>3 - 6</b>   |
| 4. | <b>Joint Transport Committee Internal Audit Progress Report 2022/23</b>  | <b>7 - 14</b>  |
| 5. | <b>Transport Plan - A Year in Review</b>                                 | <b>15 - 18</b> |
| 6. | <b>The Terms of Reference of The Capital Programme Board</b>             | <b>19 - 30</b> |
| 7. | <b>The Terms of Reference of the North East Regional Bus Partnership</b> | <b>31 - 40</b> |

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## **JOINT TRANSPORT COMMITTEE, AUDIT COMMITTEE**

### **NOTES OF INFORMAL MEETING**

13 July 2022

Meeting held in the Saltwell Room, Gateshead Civic Centre, Regent Street, Gateshead NE8 1HH

#### **Present:**

- Stuart Green (Vice Chair)

#### **Councillors:**

- A Watson – Durham County Council
- K Dawes – South Tyneside Council
- S O'Brien – Sunderland City Council

#### **Officers:**

- Tobyn Hughes – Managing Director, Transport North East
- Tracy Davis – Senior Manager – Assurance, Sunderland City Council
- Philip Meikle – Transport Strategy Director, Transport North East
- Eleanor Goodman – NECA Finance Manager
- Adam Robson – Sunderland City Council
- Jonathan Bailes – Transport North East
- Rachelle Forsyth-Ward – Transport North East

***The meeting was inquorate and those members in attendance discussed the following issues.***

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Mark Scrimshaw, Cllr Kirton (Gateshead Council), Mike Barker and Ged Morton.

## **2. JTC INTERNAL AUDIT ANNUAL REPORT 2021/22**

The members in attendance discussed the Internal Audit Annual Report for 2021/22.

During the year three audits were completed;

- Transport Assurance Framework
- Contract Management Arrangements – TT2
- Transforming Cities Programme – Compliance

In addition to these audits an audit was undertaken in relation to the Covid-19 Bus Services Support Grant.

In terms of performance indicators it was noted that the target has not been met in relation to the percentage of audits completed by the target date. However, this relates to one audit missed by eight days.

There has been no post-audit questionnaires returned in the last 12 months and it was requested that these be completed for future audits.

It was questioned whether officers feel they are being sufficiently scrutinised during the audits. It was acknowledged that the audits are testing the correct areas and offering reassurance that work is being delivered. It was also noted that the DfT carries out external scrutiny so officers are not wholly reliant on internal audit for assurance.

## **3. JTC STRATEGIC RISK REGISTER**

The members in attendance discussed the Strategic Risk Register. There has been no additions or deletions since the last meeting.

A summary of likelihood factors was highlighted, for example a positive likelihood outside of the control of the JTC is the award of £9.924m Local Transport Funding. Also, a positive likelihood factor within the control of the JTC is the BSIP attracting an indicative allocation of £163.5m. However, these factors have not impacted on scores.

In terms of the risk area; delivery of transport improvement projects / programmes, it was noted that the score has improved because of a positive internal audit evaluation.

It was noted that at the NECA Board it was agreed that the document was hard to navigate and officers are working on reducing the register to headings. The register will be brought back to the next meeting in a more user friendly format.

It was questioned whether there will be any impact on the Metro and Buses in relation to industrial action on the rail network. It was noted that no further action has

been called yet however the drivers union ASLEF mandated strike action which could coordinate with RMT action. It is likely there will be further strikes but this would not affect the Metro directly, although Network Rail operate the lines between Pelaw and South Hylton so there would be issues in relation to that route. It was however confirmed that there is no industrial action affecting the North East at this time. There are however issues for buses in relation to driver shortages; Go North East are severely affected by the labour shortage crisis which has led to instability. It was confirmed that this was previously identified as an issue for the JTC Overview and Scrutiny Committee to consider and the Chair of the North East Bus Alliance will be addressing the next meeting of the OSC. It was suggested that the information from OSC could be circulated to this Committee. It was also suggested that customer survey information from Nexus be sought to get an understanding of what people are feeling and help members quantify it, and that this could be presented at the next meeting.

#### **4. TYNE PEDESTRIAN AND CYCLE TUNNELS**

Members in attendance received a report giving an overview of the regional Transport Assurance Framework.

The Framework sets out the governance around decision making, ensures risks associated with the allocation of devolved funding are adequately mitigated, and that projects are appraised appropriately. It also offers robust monitoring of projects to ensure they achieve value for money and projected outcomes. It ensures schemes are in line with the JTCs objectives and allows Government to see how grants have been used.

This applied to all North East Transport schemes delegated to the JTC. The framework outlines how funding is prioritised.

The latest audit of the Framework showed there were no actions required and that there was good compliance.

The Framework is refreshed on a regular basis to ensure appropriate controls, therefore a further report will be brought on the refresh to Committee in the autumn.

#### **5. DATE AND TIME OF THE NEXT MEETING**

Wednesday 7 September 2022, 10am.

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## **Joint Transport Committee – Audit Committee**

**Date:** 30 November 2022

**Subject:** Joint Transport Committee Internal Audit Progress Report  
2022/23

**Report Of:** Senior Manager – Assurance, Sunderland City Council

### **Executive Summary**

This report provides an update on the delivery of the Internal Audit Plan for 2022/23 and the performance of Internal Audit against its agreed performance indicators.

One of the four planned audits has been completed and the remaining three will be undertaken by the end of March 2023.

### **Recommendations**

The Audit Committee is invited to consider and, if appropriate, make comment on the Internal Audit Progress Report for 2022/23, which includes the key performance measures for the provision of the service.

## **Joint Transport Committee – Audit Committee**

### **1 Background Information**

- 1.1 In March 2022 the Audit Committee agreed the Internal Audit Plan for 2022/23, which included four audits for completion during the year. The agreed audits were:
- a) Bus Services Partnership.
  - b) Business Continuity Arrangements.
  - c) Service Level Agreements with External Providers.
  - d) Active Travel Fund Grant.
- 1.2 The audits of Service Level Agreements with External Providers and Active Travel Fund Grant are both complete and the draft reports have been issued. It is expected that the remaining planned audits will be completed by the end of March 2022.

### **2. Proposals**

- 2.1 Appendix 1 provides a summary of the audits completed to date for this year and in previous years against the Organisational Risk areas. As the opinion of some audits contributes towards more than one risk area they may be shown more than once. An overall opinion is also provided for each risk area.
- 2.2 Appendix 2 shows Internal Audit's performance indicators, and the performance based on the completed audits for the year.

### **3. Reason for the Proposals**

- 3.1 The Audit Committee continues to fulfil an ongoing review and assurance role in relation to the governance, risk management and internal control issues of the JTC.

### **4. Next Steps and Timetable for Implementation**

- 4.1 The results of the Internal Audit work completed for the year and the overall opinion on the JTC's control arrangements will be presented in an Annual Report after the year end.

### **5. Potential Impact on Objectives**

- 5.1 There will not be a direct impact on the JTC's objectives, however the report supports the JTC by providing assurance that the internal control arrangements in place to manage risks are effective or where assurance cannot be given highlighting opportunities for improvement.



## **Joint Transport Committee – Audit Committee**

### **6. Finance and Other Resources Implications**

- 6.1 There are no financial implications arising from this report other than the agreed fee for the service to be delivered.

### **7. Legal Implications**

- 7.1 There are no legal implications arising specifically from this report.

### **8. Key Risks**

- 8.1 There are no risk management implications from this report.

### **9. Equalities and Diversity**

- 9.1 There are no equalities and diversity implications arising from this report.

### **10. Crime and Disorder**

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

### **11. Consultation /Engagement**

- 11.1 The Head of Paid Service, Monitoring Officer, Chief Finance Officer and the JTC's Proper Officer for Transport have been consulted on the report.

### **12. Other Impact of the Proposals**

- 12.1 The proposals comply with the principles of decision making. Relevant consultation processes have been held where applicable.

### **13. Appendices**

Appendix 1 – Summary of Internal Audit work for 2022/23.

Appendix 2 – Performance of Internal Audit for 2022/23 where available.

### **14. Background Documents**

- 14.1 JTC Standing Orders.

### **15. Contact Officers**

Tracy Davis – Senior Manager – Assurance, Sunderland City Council.  
[Tracy.Davis@sunderland.gov.uk](mailto:Tracy.Davis@sunderland.gov.uk)

## **Joint Transport Committee – Audit Committee**

### **16. Sign off**

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓
- Managing Director, Transport North East (Proper Officer for Transport)✓

## Joint Transport Committee – Audit Committee

### Appendix 1

#### Summary of Internal Audit Work

Organisational Risk Areas	Audits 2019/20	Opinion	Audits 2020/21	Opinion	Audits 2021/22	Opinion	Audits 2022/23	Opinion	Overall Opinion
Future Availability of Funding									No Internal Audit Work
Funding Opportunities			Regional Transport Plan	S					S
Use of Funding and Resources					Transport Assurance Framework	S	Active Travel Fund Grant	S	S
Governance Arrangements	Governance Arrangements	S					Service Level Agreements	M	S
Operational Capacity and Resourcing							Business Continuity		
Delivery of Transport Improvement Projects/Programmes	Project Management, Procurement and Contract Management	S	Transforming Cities Fund	M	Transforming Cities Programme - Compliance	S	Bus Services Partnership		S
Transport Infrastructure Assets					Contract Management – TT2	S			S
Service Delivery			Bus Services Grant Claim	S	Bus Services Grant Claim	S	Active Travel Fund Grant	S	S
Catastrophic Event							Business Continuity		

Assurance Level (Opinion) Key: **F – Full** **S – Substantial** **M – Moderate** **L – Limited** **N – None**

## Joint Transport Committee – Audit Committee

### Appendix 2

Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2022/23			
Efficiency and Effectiveness			
Objectives	KPI's	Targets	Progress
<p>1) To ensure the service provided is effective and efficient.</p> <p>12</p>	<p>1) Complete sufficient audit work to provide an opinion on the key risk areas identified.</p> <p>2) Percentage of draft reports issued within 15 days of the end of fieldwork.</p> <p>3) Percentage of audits completed by the target date (from scoping meeting to issue of draft report).</p>	<p>1) Complete sufficient audit work to provide an opinion on the organisational risk areas</p> <p>2) 90%</p> <p>3) 85%</p>	<p>Achieved</p> <p>Ahead of target – 100%</p> <p>Ahead of target – 100%</p>

## Joint Transport Committee – Audit Committee

Internal Audit - Overall Objectives, Key Performance Indicators (KPI's) and Targets for 2022/23			
Quality			
Objectives	KPI's	Targets	Progress
1) To maintain an effective system of Quality Assurance.	1) Opinion of External Auditor	1) Satisfactory opinion	Achieved
2) To ensure recommendations made by the service are agreed and implemented.	2) Percentage of agreed high, significant and medium risk internal audit recommendations which are implemented.	2) 100% for high and significant risk. 90% for medium risk	None available
Client Satisfaction			
Objectives	KPI's	Targets	Progress
1) To ensure that clients are satisfied with the service and consider it to be good quality.	1) Results of Post Audit Questionnaires	1) Overall average score of better than 1.5 (where 1=Good and 4=Poor)	None returned
	2) Results of other Questionnaires	2) Results classed as 'Good'	N/A
	3) Number of Complaints / Compliments	3) No target – actual numbers will be reported	None in year

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## North East Joint Transport Committee Audit Committee

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**Date:** 30 November 2022

**Title:** Transport Plan – A Year in Review

**Report of:** Managing Director, Transport North East

### Executive Summary

This item will take the form of a presentation that reviews progress in delivering the North East Transport Plan objectives in 2021/22 and our key priorities in 2022/23.

### Recommendations

The North East Joint Transport Committee Audit Committee is recommended to note this report and the accompanying presentation.

## **1. Background Information**

- 1.1 This item will take the form of a presentation outlining progress in delivering the objectives of the North East Transport Plan during the 2021/22 financial year, and detailing some of our key priorities during 2022/23.

## **2. Reasons for the Proposals**

- 2.1 The presentation is intended to update members on progress in delivery of the North East Transport Plan, and our key priorities for the year ahead.

## **3. Alternative Options Available**

- 3.1 This report is presented for information and therefore no alternative options are presented.

## **4. Next Steps and Timetable for Implementation**

- 4.1 Work will continue to deliver the objectives of the Transport Plan in partnership with transport operators, local authorities and other stakeholders.

## **5. Potential Impact on Objectives**

- 5.1 Successful delivery of the Transport Plan objectives will assist in supporting economic growth, as well as contributing towards our decarbonisation targets.

## **6. Financial and Other Resources Implications**

- 6.1 This report is for information only and there are no direct financial, human resources or ICT implications at this stage.

## **7. Legal Implications**

- 7.1 This report is for information only and there are no specific legal implications at this stage.

## **8. Key Risks**

- 8.1 The various schemes and strategies contained in the Transport Plan are all the subject of appropriate risk management processes.

## **9. Equality and Diversity**

- 9.1 A significant proportion of the region's population do not own a car. A comprehensive and affordable public transport network is essential for their quality of life and to enable them to access key services.



## **10. Crime and Disorder**

- 10.1 There are no specific crime and disorder implications arising from the proposals in this report.

## **11. Consultation/Engagement**

- 11.1 Delivery of the various schemes and strategies contained in the Transport Plan will be subject to appropriate consultation processes.

## **12. Other Impact of the Proposals**

- 12.1 Encouraging alternatives to car use through delivery of the various schemes in the Transport Plan will help the region improve air quality and achieve its goal for carbon neutrality.

## **13. Appendices**

- 13.1 None.

## **14. Background Papers**

- 14.1 None.

## **15. Contact Officers**

- 15.1 Tobyn Hughes, Managing Director, Transport North East  
[Tobyn.hughes@nexus.org.uk](mailto:Tobyn.hughes@nexus.org.uk)

## **16. Sign off**

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

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## **17. Glossary**

N/A.

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## North East Joint Transport Committee

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**Date:** 30 November 2022

**Subject:** The Terms of Reference of The Capital Programme Board

**Report of:** Managing Director, Transport North East

### Executive Summary

This report provides Members of the Audit and Standards Committee with confirmation that the Terms of Reference of the Transport Capital Programme Board have been updated and ratified following the recommendations of the Audit and Standards Committee and requests that members note the changes.

The Terms of Reference have been updated to provide:

- The Board's membership
- The frequency of meetings
- The quorum for meetings to take place

### Recommendations

The Committee is recommended to note the updated Terms of Reference for information.

## **1. Background Information**

- 1.1 Appendix 1 provides the updated Terms of Reference of The Transport Capital Programme Board. The Terms of Reference were updated following the recommendations of the Transforming Cities Fund Audit.
- 1.2 In May 2022 the regional Transforming Cities Fund was subject to an internal audit undertaken by Sunderland City Council on behalf of the Joint Transport Committee (JTC). The purpose of the audit was to determine whether the assurance arrangements put in place regarding the Transforming Cities Fund are being complied with. The audit recommended that the Terms of Reference for the Capital Programme Board are updated to contain the membership of the Board, the required frequency that meetings should be held and the quorum for meetings to take place and then formally ratified the Terms. This report informs the members of the Audit and Standards Committee that this action has been completed, provides the Terms of Reference at Appendix 1 for information and notes that The Transforming Cities Fund Audit Report has included that this recommendation has been actioned, the action plan, noting implementation is provided at Appendix 2.

## **2. Proposals**

- 2.1 The Terms of Reference of the Capital Programme Board is attached at Appendix 1.

## **3. Reasons for the Proposals**

- 3.1 The Audit and Standards Committee Audit Committee made the recommendation that the Capital Programme Board Terms of Reference should be updated and ratified, this report confirms that the recommendation was actioned and asks the Committee to note it.

## **4. Alternative Options Available**

- 4.1 There are no alternative options arising from this report.

## **5. Next Steps and Timetable for Implementation**

- 5.1 The Terms of Reference have been reviewed and agreed by the Capital Programme Board, minutes of the meeting and the Terms of Reference have been shared with internal audit. The Transforming Cities Fund Audit Report has included that this recommendation has been actioned, the action plan, noting implementation is provided at Appendix 2.

## **6. Potential Impact on Objectives**

- 6.1 There are no impacts on objectives arising from this report.

## **7. Financial and Other Resources Implications**

- 7.1 There are no direct financial implications arising for NECA as a result of this report.
- 8. Legal Implications**
- 8.1 There are no direct legal implications arising for NECA as a result of this report.
- 9. Key Risks**
- 9.1 There are no risk implications arising from this report.
- 10. Equality and Diversity**
- 10.1 There are no equality and diversity implications arising from this report.
- 11. Crime and Disorder**
- 11.1 There are no crime and disorder implications arising from this report.
- 12. Consultation/Engagement**
- 12.1 The Terms of Reference have been presented and to and agreed by the Capital Programme Board.
- 13. Other Impact of the Proposals**
- 13.1 There are no other impacts arising from these proposals.
- 14. Appendices**
- 14.1 Appendix 1 - The Terms of Reference of The Capital Programme Board  
Appendix 2 – Transforming Cities Fund Action Plan
- 15. Background Papers**
- 15.1 None
- 16. Contact Officers**
- 16.1 Jonathan Bailes, Head of Funding and Programmes  
E-mail: [jonathan.bailes@transportnortheast.gov.uk](mailto:jonathan.bailes@transportnortheast.gov.uk)
- 17. Sign off**
- The Proper Officer for Transport:
  - Monitoring Officer:
  - Chief Finance Officer:

## **18. Glossary**

JTC - Joint Transport Committee

TCPB - Transport Capital Programme Board

TCF - Transforming Cities Fund

TNE - Transport North East

TSB - Transport Strategy Board

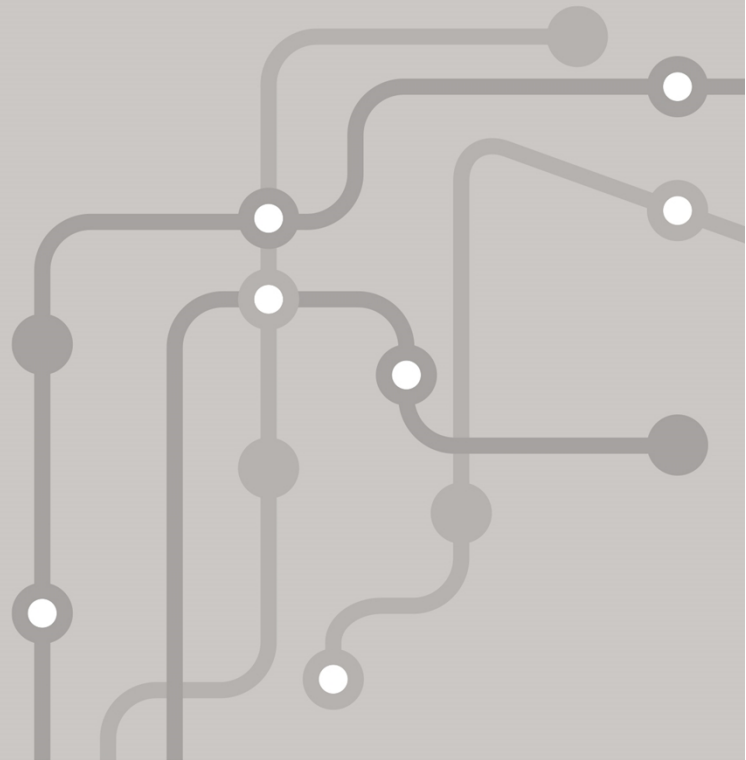
# Transport **North East**

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## Capital Programme Board

### **Terms of Reference**

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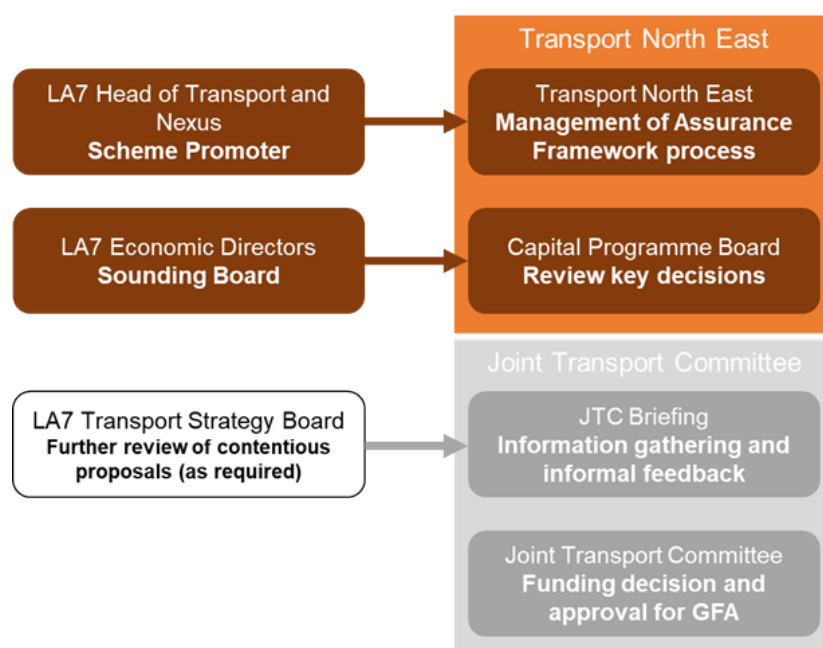


## 1. Background

- 1.1 In December 2020, a Programme Board was established to monitor the progress of the Transforming Cities Fund (TCF) Tranche 2 devolved funding pot. The Metro Flow scheme, part of the TCF programme, is part of a separate Major Projects Board. It was agreed by the Transport Strategy Board (TSB) in April 2021 that the remit of the TCF Devolved Pot Programme Board should be extended to cover all capital transport programmes managed by Transport North East (TNE), resulting in the establishment of the Capital Programme Board.
- 1.2 The funding allocation for all current and future Programmes is managed by enacting the Transport Assurance Framework, which was approved by the Joint Transport Committee (JTC) in 2019 as part of the TCF bid submission. The Transport Assurance Framework requires that a business case is prepared for each scheme in order to ensure that the objectives of the particular fund are met, that the scheme can be delivered efficiently and with minimum risk, and that the scheme offers good value for public money.

## 2. Purpose

- 2.1 It was agreed by Transport Strategy Board in November 2020 that a TCF Devolved Pot Programme Board should be established to oversee management of a programme of schemes over the next three years and beyond, providing advice to the JTC as the final decision-making body for the release of capital funding. This remit was then extended to cover all capital programmes managed by TNE in April 2021 by the Transport Strategy Board.
- 2.2 The position of this Programme Board in the decision-making process for TCF and all future funds is set out below:





## 3. Role and Remit

3.1 The Transport Capital Programme Board will fulfil the following roles:

- Provide advice on the overarching governance and decision-making framework for the programme of schemes outlined in the North East Transport Plan, and any funds devolved to our region for Transport.
- Provide steer and support concerning the compilation and content of bids for funds for the region.
- Monitor and manage programme progress, savings, over-programming and impact.
- Provide a robust challenge and scrutiny function for enactment of the Transport Assurance Framework in order that:
  - a. decision-making is accountable and transparent;
  - b. risks to the programme are managed;
  - c. projects are adequately appraised prior to making recommendations to the Joint Transport Committee to allocate funding, to ensure that good value for money is achieved; and
  - d. projects have monitoring and evaluation arrangements in place to ensure that their impact on the economic, social and environmental objectives of the region is understood.
- Manage high-level interdependencies and risks associated with all projects in the programme.
- Strategically identify, prioritise and allocate resources to programmes and projects, re-aligning where necessary.
- Identify and develop funding and resource plans designed to assist in the delivery of the programme.
- Put in place an over-arching effective communications and engagement strategy, sharing key messages with members, stakeholders and the travelling public as required.
- Ensure that the Head of Funding and Programmes is adequately supported in their work.

## 4. Membership

4.1 The Programme Board comprises the following members, responsible for the roles outlined above:

- TNE Managing Director (chair);
- TNE Transport Strategy Director;
- Two representatives from the LA7 Heads of Transport Group;
- Two representatives from the LA7 Economic Directors' Group;
- The JTC's statutory officers responsible for finance and monitoring; and

- A representative from the Nexus Senior Leadership Team

## **5. Accountability**

- 5.1 All members of the Programme Board should seek to represent the full breadth of views of the Group they are drawn from, rather than solely the views of their own authority. The Programme Board provides advice and guidance to the Joint Transport Committee, The Joint Transport Committee is the decision-making body.

## **6. Review**

- 6.1 The Programme Board will be reviewed on an annual basis to ensure compliance with any governance or assurance requirements as part of the terms of any new funds secured and managed by TNE.

## **7. Meeting Arrangements**

- 7.1 Meetings will be chaired by the TNE Managing Director and the topics for the agenda will be generated by progress made by capital schemes in two phases of work: (i) the production of a Full Business Case to inform the case for advising JTC to release funding, and (ii) the delivery of funded schemes on the ground.
- 7.2 As an advisory board no specific quorum will be required for meetings to take place. Prior to each meeting, no fewer than three working days in advance, the Programme Board will receive papers via email from Transport North East on general progress, specific assurance framework gateways reached by individual projects and updated financial progress. The Board will also receive reports from time to time in relation to stakeholder engagement, communications and other key aspects of programme delivery. For urgent issues, the TNE Managing Director can agree a shorter timescale for reports to be issued to the Board.
- 7.3 The Programme Board will make recommendations to the JTC as required, in order that JTC can discharge its role as final decision-maker on the release of capital funding for individual schemes in the TCF programme. The Programme Board will also finalise regular TCF progress updates (and those of any future funds) to be presented to TSB.
- 7.4 Where there is any difference of view, this should be presented to the TSB, and if the TSB is not able to arrive at a consensus, this should be reflected in any advice given to the JTC from the TNE Managing Director.
- ## **8. Meeting Frequency**
- 8.1 In order that the delivery of the TCF programme and other future funds maintains pace, the Programme Board will meet on a monthly basis wherever possible. Some meeting dates may be adjusted to provide an efficient lead-in to meetings of the Joint Transport Committee.

## **9. Resources and Budget**

- 9.1 There is no budget associated with the Programme Board. The meetings will be conducted initially via Microsoft Teams and this arrangement will be kept under review by the Programme Board.

## **10. Deliverables**

- 10.1 The key deliverable of the Programme Board will be ratification of reports and endorsements of recommendations, both to be provided to the JTC.

### **Definitions**

JTC: Joint Transport Committee;

TCPB: Transport Capital Programme Board;

TCF: Transforming Cities Fund;

TNE: Transport North East; and

TSB: Transport Strategy Board.

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**Joint Transport Committee  
Transforming Cities Fund  
Action Plan**

**Appendix B**

Finding	Ref.	Proposed Action	Responsible Officer and Agreed Completion Date
<b>Medium Risk</b>			
The Terms of Reference for the Capital Programme Board was examined. Whilst the terms state the overall purpose of the Board, including the overarching governance and decision-making framework for the programme of schemes, the Terms of Reference are still in draft form, and do not include the membership of the Board, the quorum or the frequency of meetings.	1	The Terms of Reference for the Capital Programme Board should as a minimum contain the membership of the Board, the required frequency that meetings should be held and the quorum for meetings to take place. The Terms of Reference should then be formally ratified.	J. Bailes Head of Programmes Implemented
The grant conditions letter for the final instalment of Tranche 1 of 2019/20 and the first instalment for Tranche 2 in 2020/21 were examined and it was noted that one of the funding requirements detailed at Annex B is as follows: <i>'The Chief Executive and Chief Internal Auditor of each recipient authority is required to sign and return to the North and Devolution Division in the Department for Transport a declaration, to be received no later than four months after the physical completion of the relevant scheme(s), in the following terms: "To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Transforming Cities Fund: Tranche 2 Grant Determination 2019-20 No. 31/4042 have been complied with."</i>	2	The grant condition regarding the provision of a declaration as to compliance with all Transforming Cities Fund (TCF) grant conditions should be clarified with the grant provider and suitable arrangements developed with the JTC's internal audit service to ensure that the appropriate declaration can be made.	J. Bailes Head of Programmes 31 <sup>st</sup> March 2023

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## **North East Joint Transport Committee, Audit Committee**

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**Date:** 30 November 2022

**Subject:** The Terms of Reference of The North East Regional Bus Partnership Board

**Report of:** Managing Director, Transport North East

### **Executive Summary**

This report provides Members of the JTC Audit Committee with a copy of the North East Regional Bus Partnership Board's Terms of Reference.

The Terms of Reference provides the Committee with details such as:

- The Board's purpose
- The Board's role and remit
- The Board's membership

### **Recommendations**

The Committee is recommended to receive the Terms of Reference for information.

## **1. Background Information**

- 1.1 The National Bus Strategy published by the Department for Transport (DfT) on 15 March 2021 set out the opportunity to deliver better bus services for passengers, through reform of how services are planned and delivered. The Bus Service Improvement Plan (BSIP) is our region's response to this strategy.
- 1.2 Following the publication of our Bus Service Improvement Plan (BSIP) in October 2021, and the indicative funding award of £163.5 million in April 2022, our region continues on its journey towards the establishment of an Enhanced Partnership (EP).
- 1.3 As part of the governance of the EP a Regional Bus Partnership Board needed to be established. The board will monitor the performance of BSIP interventions against the published BSIP Key Performance Indicators (KPIs) and provide reports to the Joint Transport Committee (JTC).
- 1.4 It should be noted that the regional board does not replace the need for local bus boards. Local bus boards will have the ability provide a local viewpoint to any discussions happening at the regional bus board meetings.
- 1.5 Appendix 1 is the Terms of Reference of The North East Regional Bus Partnership Board, provided by Transport North East officers. This provides the Committee with information on the Partnership Board including its background, purpose, role and remit, membership, accountability, review, meeting arrangements, resources and budget and deliverables.

## **2. Proposals**

- 2.1 The Terms of Reference is attached as Appendix 1.

## **3. Reasons for the Proposals**

- 3.1 The Audit and Standards Committee continues to fulfil an ongoing review and assurance role in relation to the governance, risk management and internal control issues of NECA.

## **4. Alternative Options Available**

- 4.1 There are no alternative options arising from this report.

## **5. Next Steps and Timetable for Implementation**

- 5.1 The Partnership Board has commenced meetings in shadow form as the Enhanced Partnership is still to be formally established. Comments on the Terms of Reference have been received from the Partnership Board members and have been included in the version shared here. Agreement is expected on the Terms of Reference at the next meeting in January 2023.

## **6. Potential Impact on Objectives**



- 6.1 The formation of the Partnership Board is a key step towards making the EP Plan and Scheme, as well as progressing our BSIP Key Performance Indicators (KPIs). These KPIs focus on growing bus ridership, reliability and customer satisfaction which in turn aligns with the objectives of the North East Transport Plan and the Making the Right Travel Choice Strategy. In particular, the BSIP and EP support a green recovery through the provision of an attractive form of sustainable transport.

## **7. Financial and Other Resources Implications**

- 7.1 There are no direct financial implications arising as a result of this report.

## **8. Legal Implications**

- 8.1 There are no direct legal implications arising as a result of this report.

## **9. Key Risks**

- 9.1 There are no risk implications arising from this report.

## **10. Equality and Diversity**

- 10.1 There are no equality and diversity implications arising from this report.

## **11. Crime and Disorder**

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

## **12. Consultation/Engagement**

- 12.1 The Terms of Reference have been presented to the Partnership Board.
- 12.2 In the production of the BSIP in 2021, detailed engagement was undertaken with partners, stakeholders and the public, as reported to Joint Transport Committee on 21 September 2021.

## **13. Other Impact of the Proposals**

- 13.1 None

## **14. Appendices**

- 14.1 Appendix 1 - The Terms of Reference of The North East Regional Bus Partnership Board

## **15. Background Papers**

- 15.1 North East Bus Service Improvement Plan: [TNE-BSIP\\_FINAL.pdf](#)  
([transportnortheast.gov.uk](https://transportnortheast.gov.uk))

Bus Back Better – The National Bus Strategy: [Bus Back Better](#)

[publishing.service.gov.uk](http://publishing.service.gov.uk))

The Bus Services Act 2017 – Enhanced Partnerships Guidance: [The bus services act 2017: enhanced partnerships \(publishing.service.gov.uk\)](http://publishing.service.gov.uk)

JTC Report – Vision for Buses (item 9): [Public Pack\) Agenda Document for North East Joint Transport Committee, 13/07/2021 14:30 \(northeastca.gov.uk\)](http://northeastca.gov.uk)

JTC Report – Bus Partnerships (items 9 and 10): [Public Pack\) Agenda Document for North East Joint Transport Committee, 15/06/2021 14:30 \(northeastca.gov.uk\)](http://northeastca.gov.uk)

Bus Service Improvement Plan outline resourcing form (the content of this document is exempt from publication pursuant to paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972)

## **16. Contact Officers**

### **16.1 Philip Meikle, Transport Strategy Director**

E-mail: [philip.meikle@transportnortheast.gov.uk](mailto:philip.meikle@transportnortheast.gov.uk)

Tel: 0191 433 3859

Heather Jones, Head of Enhanced Partnerships

E-mail: [heather.jones@transportnortheast.gov.uk](mailto:heather.jones@transportnortheast.gov.uk)

Tel: 07962 867 407

## **17. Sign off**

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

## **18. Glossary**

BSIP – Bus Service Improvement Plan

EP – Enhanced Partnership

JTC – Joint Transport Committee

NBS – National Bus Strategy

LTA – Local Transport Authority

LA – Local Authority

DfT – Department for Transport

BSOG – Bus Service Operators Grant

## **Appendix 1 – Terms of Reference**

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North East Regional Bus Partnership Board

**Terms of Reference**

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## **19. Background**

- 19.1 In March 2021 the Department for Transport published the National Bus Strategy which set out the governments vision for English bus services outside of London and required such local authorities to formalise partnerships with bus operators in the form of an Enhanced Partnership (EP) or a franchising arrangement. The North East Joint Transport Committee (NEJTC) issued a notice of intent to prepare an EP Plan and EP Scheme on the 28<sup>th</sup> of June 2021.
- 19.2 A Project Board was established to monitor and drive forward the EP project and Bus Service Improvement Plan (BSIP). Our North East BSIP was published in October 2021 and has indicatively been awarded £163.5m. As we move towards the EP being established and look forwards to our BSIP funding award being unlocked, this Project Board will become the Partnership Board.

## **20. Purpose**

- 20.1 The North East Regional Bus Partnership Board will provide governance to the North East Bus Partnership and will be the forum for discussion on the future of the EP scheme including variation and revocation. The Board will also fulfill a vital monitoring and evaluation function for the North East BSIP.
- 20.2 The Board will provide a forum for discussion across the partnership and ensure that all recommendations are made in the spirit of partnership. The Board sits at a regional level, therefore the scope for discussion covers the whole EP Scheme area.

## **21. Role and Remit**

- 21.1 The North East Regional Bus Partnership Board will fulfil the following roles:
- Perform a regional level review of performance against the KPIs set out in the EP Plan, and formulation of proposals for targets and action plans to rectify performance issues
  - Consideration of feedback and potential actions from the Bus Advisory Board
  - Review of the EP Plan and contemplation of how funds (when made available) could be used to support delivery of the EP Plan
  - Review and development of regional initiatives to promote bus use including leadership of a positive narrative around bus in the EP Scheme area
  - Overseeing the annual review and refresh of the BSIP
  - Interaction with stakeholders and Local Bus Boards over issues requiring discussion at a regional level, and consideration of the views of Local Bus Boards in respect of regional issues
  - Review of compliance with the Code of Conduct
  - The board will also appoint an independent chairperson of the Bus Advisory Board.

## **22. Membership**

- 22.1 The Partnership Board will be made up of the following membership:
- An independent chairperson, who will be agreed in advance of the first meeting of the Partnership Board by the other members, the arrangements for the chairperson will be in line with the North East Combined Authorities' (NECA) policies for independent chair people, and will be appointed on a yearly basis
  - Managing Director, Transport North East, or the deputy of the managing director in their absence
  - A senior representative of Nexus
  - A Tyne & Wear based officer from the Heads of Transport Highways subgroup
  - A senior representative of Durham and a senior representative of Northumberland
  - A senior representative from Go North East, Stagecoach and Arriva
  - A local representative of the Confederation of Passenger Transport UK (CPT), to represent other bus operators
  - The chairperson of the Bus Advisory Board
  - Senior representatives from Bus Users UK and Transport Focus

## **23. Accountability**

- 23.1 All members of the Partnership Board should seek to represent the full breadth of views of the group they are drawn from, rather than solely the views of their own authority/ organisation.

## **24. Review**

- 24.1 The Partnership Board will be reviewed on an annual basis to ensure the board aligns with changes in governance, funding streams or to the bus sector. This could include but is not limited to, board composition, terms of reference and governance arrangements.

## **25. Meeting Arrangements**

- 25.1 The first meeting of the Partnership Board shall take place in November 2022 to support the EP mobilisation. In the event that the independent chair has not yet been appointed the Managing Director, TNE will chair the first meeting.
- 25.2 To aid the function of the Partnership Board, TNE will produce a six-monthly report to The Board with latest available data on KPI performance.
- 25.3 Members of the Partnership Board, and any Local Bus Board, may review specific elements of the EP Scheme on an ad-hoc basis. The Partnership Board or Local Bus Board members and any other Operator of Local Services should contact TNE using the following email address [buses@transportnortheast.gov.uk](mailto:buses@transportnortheast.gov.uk) explaining

what the issue is and its urgency. TNE will decide whether to table the matter at the next scheduled meeting of the Partnership Board and/or the relevant Local Bus Board(s). Urgent meetings may be also called, where the matter requires resolution in advance of the next scheduled meeting.

- 25.4 As an advisory board no specific quorum will be required for meetings to take place. Prior to each meeting, no fewer than three working days in advance, the Partnership Board will receive papers via email from Transport North East on general progress, specific assurance framework gateways reached by individual projects and updated financial progress. The Board will also receive reports from time to time in relation to stakeholder engagement, communications and other key aspects of delivery. For urgent issues, the TNE Managing Director can agree a shorter timescale for reports to be issued to the Board.
- 25.5 The Partnership Board will make recommendations to the JTC as required, in order that JTC can discharge its role as final decision-maker on the release of capital and revenue funding for individual schemes in the BSIP programme. The Partnership Board will also finalise regular BSIP progress updates (and those of any future funds) to be presented to North East Transport Strategy Board (TSB).

## **26. Meeting Frequency**

- 26.1 Meetings of the Partnership Board shall take place at least quarterly and shall be chaired by the Partnership Board Chair. Urgent meetings may also be called in response to ad-hoc reviews of the EP Scheme which require resolution in advance of the next scheduled meeting.

## **27. Resources and Budget**

- 27.1 The costs of the independent Chair of the Board will be covered by the BSIP funding, no other costs are expected to be required by the Board. Meetings may be conducted virtually, via Microsoft Teams, or in person, as agreed by the Partnership Board.

## **28. Deliverables**

- 28.1 Key deliverables of the Partnership Board will be:
- The ratification of reports and endorsements of recommendations to be provided to JTC
  - Producing proposals for targets and action plans to rectify performance issues
  - Undertake the yearly review of the BSIP
  - Annual review of compliance with the Code of Conduct
  - Any other deliverables that emerge from the roles and remit detailed in section 3.1, or from the EP scheme

## **Definitions**

BSIP: Bus Service Improvement Plan

EP: Enhanced Partnership

JTC: The Joint Transport Committee

TNE: Transport North East

TSB: Transport Strategy Board

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