

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

Date: 19 September 2019

Subject: Tyne Tunnels Update

Report of: Managing Director, Transport North East

Executive Summary

The purpose of this report is to provide Members with an update on activities at the Tyne Tunnels relating to:

1. The operation of the New Tyne Crossing;
2. The Tyne Pedestrian and Cycle Tunnels (TPCT) – Phase 3 improvement works.

Recommendations

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

- i. Note the contents of the New Tyne Crossing update;
- ii. Note the contents of the Tyne Pedestrian and Cycle Tunnels update and agree in principle to the variation of an existing lease of land (and easement) granted to Liberty Global/Virgin Media, dated 23 April 1994 relating to their apparatus within the Tunnels, the detailed wording to be approved by the Monitoring Officer.

1. Background Information

New Tyne Crossing

- 1.1 The Project Agreement (PA) for the New Tyne Crossing (NTC) was signed on 23 November 2007. Full operational commissioning was achieved on 21 November 2011. TT2 Ltd are responsible for the day to day management and operation of the New Tyne Crossing. This is monitored by officers acting on behalf of the North East Joint Transport Committee (JTC) in accordance with the terms of the Project Agreement.

Tyne Pedestrian and Cyclist Tunnels

- 1.2 The major maintenance liability for the Tyne Pedestrian and Cyclist Tunnels (TPCT) was retained by the Tyne and Wear Councils in the Project Agreement entered into with TT2. This was initially through the Tyne and Wear Integrated Transport Authority, later through the North East Combined Authority (NECA) in its own right, and most recently through the NECA in its role as accountable body for the JTC. The TPCT has been undergoing major refurbishment works since 2013.
- 1.3 In April 2015, following the original contractor entering Administration, the NECA took over the role of Main Contractor on the refurbishment of the Tyne Pedestrian and Cyclist Tunnels. The refurbishment works had to be suspended until February 2017 to allow asbestos in the tunnels to be removed or encapsulated.

2. Proposals/ Review

New Tyne Crossing – Operational Summary

Traffic Flows

- 2.1 TT2 are responsible for the day to day management and operation of the tunnels. As part of their duties they are required to provide a Quarterly Service Report on operational issues, including inspections and details of any Health and Safety incidents which have occurred during the report period. In addition, TT2 submit a claim as part of the payment mechanism for the tunnels which identifies the number and type of vehicles using the tunnels.
- 2.2 TT2 and officers acting for the JTC constantly review the traffic flows through the Tyne Tunnels. A review of the traffic flow levels through the tunnels during 2018-19 identified the previously reported reduction in traffic using the tunnels compared to previous years had remained constant. This was considered to be a direct consequence of the construction works to the Silverlink Junction being carried out by Highways England and other highway related works being carried out in North Tyneside.

- 2.3 The Silverlink works are now substantially complete with the A19 link below the Coast Road now open, although there are still peripheral and overnight works being carried out.
- 2.4 A review of the traffic flows, so far, this financial year shows that they are slightly higher than last year but that the traffic flow levels remain less than the levels experienced in 2016-17. This continues to be monitored by both officers acting for the JTC and TT2 Ltd. See Appendix A.
- 2.5 The level of traffic using the tunnels has an impact on the revenue generated for TT2 and the JTC and the budgets for 2019-20 have been amended to reflect this.
- 2.6 Advanced Number Plate Recognition Cameras have been installed at the Toll Plazas and are working well. TT2 have introduced improvements to their mobile app, including direct debit payments, and this increases the payment opportunities for tunnel users who subscribe to pre-payment accounts. This not only provides a 10% discount for users but also speeds up the journey time through the toll plazas. The number of pre-payments transactions is running at 56% of users, and we would encourage more users to sign up to realise the benefits not only for themselves but all users of the tunnels.
- 2.7 Since the last committee meeting TT2 have successfully erected advertising screens at the north portal and southern approach to the tunnels.
- 2.8 TT2 have reported that their staff successfully thwarted an attempted card machine fraud at the tunnels at the end of August. Fraudsters attempted to take £36,000 from the tunnel accounts. However quick-minded staff contacted their fraud team who were able to cancel the transaction. The police were called and TT2 held the individuals who were then arrested at the scene. The police have praised staff at the tunnel for their vigilance and said they have prevented a “serious and sophisticated scam”.

Health and Safety

- 2.9 No significant Health and Safety issues have been identified during the last reporting period.

Tyne Pedestrian and Cyclist Tunnels

- 2.10 The refurbishment works on the TPCT are now complete except for the commissioning of the inclined lifts. Access to the tunnels is available to both pedestrian and cyclist via the vertical lifts and the fixed escalator.

- 2.11 This allowed the tunnels to be reopened to the public on the 7 August 2019.
- 2.12 The reopening of the tunnels to the public is being phased which has allowed a controlled re-introduction of the facility to be monitored under real working conditions and any changes needed to the functionality of the systems to be carried out.
- 2.13 The tunnels are being manned during this period and are open to the public between 06:00 to 20:00. The night shuttle continues to run between 20:00 to 06:00.
- 2.14 The reopening has been well received by the public and the facility is being well used by both pedestrian and cyclist. There have been some minor incidents with anti-social behaviour and dog fouling within the tunnels, but this is being managed but the site security team.
- 2.15 The lift contractor returned to site at the end of August to complete the inclined lift installation and commissioning and the lift will be brought into service over the coming weeks.
- 2.16 The estimated out-turn cost of the project is £12.5m for the refurbishment works with an additional £3.7m cost associated with the main contractor and electrical contractor entering Administration and the cost of the additional asbestos environmental cleaning works.
- 2.17 A progress booklet showing recent photographs of the tunnels is included in Appendix B.
- 2.18 A request has been received from the Liberty Global / Virgin Media group to vary the existing Lease of land (and easement) at pedestrian and cyclist tunnels, which allows their apparatus to be carried through the tunnels. This request is permitted under the current agreement subject to approval of the wording of the variation by the Joint Transport Committee. All costs associated with these proposals are to be met by Liberty Global. Legal Officers have reviewed the proposals, which are to underlet the whole of the demised land and the demised rights together, to any company that is a member of the same group and have confirmed the proposed Deed of Variation to implement the proposal is acceptable.

3. Reasons for the Proposals

Tyne Pedestrian and Cyclist Tunnels

- 3.1 The completion of the refurbishment works and the reopening of the TPCT is in line with the JTC's objectives of providing specifically for pedestrians and cyclists, contributing positively to addressing climate change by encouraging non-motorised modes of travel.
- 3.2 The completion of the refurbishment works will meet the CA obligations under the Planning (Listed Buildings and Conservation Areas) Act 1990.

4. Alternative Options Available

Tyne Pedestrian and Cyclist Tunnels

- 4.1 The option not to reopen the TPCT was considered however, due to the Listed status of the structure, works to address its condition, deal with the asbestos and to maintain it in a safe state would still have been required. This would realise little reduction in cost compared with the completion of the works for reopening.

5. Next Steps and Timetable for Implementation

Tyne Pedestrian and Cyclist Tunnels

- 5.1 The operation of the reopened tunnels will continue to be overseen by the New Tyne Crossing team based in TT2 Ltd.'s offices over the coming months before being handed back to TT2 who will operate and monitor the tunnels for the remainder of the Concession period.

The Managing Director, Transport North East will report regularly on progress to the Transport North East (Tyne and Wear) Sub-Committee.

6. Potential Impact on Objectives

- 6.1 The refurbishment of the TPCT has secured the future operation of this important transport link under the River Tyne. It provides specifically for pedestrians and cyclists and as such contributes positively to addressing climate change by encouraging non-motorised modes of travel. It also has the benefit of helping to reduce the number of motor vehicles on the roads – particularly on residential roads – to the benefit of local communities. The TPCT is also positive 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. The works also protect this Grade II Listed structure for future generations.

7. Financial and Other Resources Implications

Tyne Pedestrian and Cyclist Tunnels

- 7.1 The cost of the refurbishment works has been funded from the Tyne Tunnel Reserves and from prudential borrowing in line with the original approval for

the project. Borrowing repayments are included within the revenue budget for the Tyne Tunnels for 2019/20. It is important to note that this reserve is ring-fenced for use on the tunnels, but it would have an opportunity cost, because once the Tunnel Financing costs are met the reserve can be used for other transport projects. If a source of grant funding for the works can be identified, this will be used and reduce the call on reserves.

7.2 The latest cost will be monitored by the Chief Finance Officer and its impact will be reflected in the budget update report for 2019/20.

7.3 The adopted approach of the NECA (on behalf of the JTC) carrying out the project management helped to minimise the delay in the completion of the project.

8. Legal Implications

Tyne Pedestrian and Cyclist Tunnels

8.1 The legal comments have been incorporated into the report.

9. Key Risks

9.1 The key risks associated with the completion of the project relate to:

Public safety – by addressing the reliability issues associated with the historic apparatus in the tunnels and dealing with the asbestos and other identified safety issues relating to the condition of the structure in the tunnel the CA are ensuring public safety

Time delays – by direct management of the completion of the works the CA are minimising the risk of further project delays which could be anticipated if a further tender process had been undertaken to engage a private Management Contractor.

Cost - by direct management of the completion of the works the CA are minimising the risk of further project cost and claims which could be anticipated from a Management Contractor. This is being borne out by the ongoing identification of additional work as the project progresses which could not have been envisaged at tender stage.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

- 12.1 The Head of Paid Service, Monitoring Officer and Chief Finance Officer have been consulted. Regular updates are provided to the Transport North East (Tyne and Wear) Sub-Committee. Member visits have been arranged to the site to view the works. Updates are provided to the Howdon MAG and the Jarrow and Boldon CAF. A dedicated website is maintained and provides updates on progress.

13. Other Impact of the Proposals

- 13.1 The refurbishment 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 modes of travel. It also has the benefit of helping to reduce the number of motor vehicles on the roads – particularly on residential roads – to the benefit of local communities. The TPCT is also positive 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.

14. Appendices

- 14.1 Appendix A: Traffic Figures for the New Tyne Crossing
Appendix B: Tyne Pedestrian and Cyclist Tunnel Progress Booklet

15. Background Papers

- 15.1 River Tyne (Tunnels) Order 2005
Report dated 22 July 2010 - TPCT - Investment Proposals
River Tyne (Tunnels) (Modification) Order 2011
Tyne Tunnel Update reports to the scheduled meetings of the Tyne and Wear Sub-committee as listed in the report to the Tyne and Wear Sub-Committee of the 31 January 2019
Report dated 4 July 2019 - Tyne Tunnel Update

16. Contact Officers

- 16.1 Alastair Swan, Principal Engineer, alastair.swan@newcastle.gov.uk , Tel: 0191 211 5931

17. Sign off ✓

- 17.1
- The Proper Officer for Transport: ✓

- Head of Paid Service: ✓
- Monitoring Officer: ✓
- Chief Finance Officer: ✓

18. Glossary

18.1

TPCT – Tyne Pedestrian and Cyclist Tunnel

NTC – New Tyne Crossing

TWITA – Tyne and Wear Integrated Transport Authority

PA – Project Agreement (relating to the contract for the provision of the New Tyne Crossing)

RPI – Retail Price Index

NELB – North East Leadership Board

TNE – Transport North East

TWSC – Transport North East (Tyne and Wear) Sub-Committee

BCE - Building and Commercial Enterprise Division

JTC – Joint Transport Committee

Appendix A: Traffic Figures for the New Tyne Crossing

1 Background Information

The Tyne Tunnels operation transferred to the Concessionaire, TT2 Ltd, on 1 February 2008. Their operational performance is monitored by the Engineer to the Tunnels.

2 Operational Performance

2.1 The following graphs give a breakdown of the traffic flows through the Tyne Vehicle tunnels for this financial year.

2.1.1 Table 1: TT2 Monthly Traffic Statistics. Contains the data used to create the Graphs A to C inclusive.

2.1.2 Graph A: Monthly Traffic Figures. Illustrates the total number of vehicles per month compared with the figures from last year.

2.1.3 Graph B: TT2 Monthly Total Traffic Figures by Vehicle Class. Illustrates the monthly traffic flows by Vehicle Type, for the period April 2019 and Aug 2019.

Class 1 – motorbikes, Class 2 Cars and Light Goods Vehicles under 3500kgs, Class 3 Heavy Goods Vehicles and Exempts

2.1.4 Graph C: TT2 Monthly Traffic Figures by Vehicle Class. Illustrates the monthly traffic flows by each Vehicle Class, for the period April 2019 and Aug 2019.

2.1.5 Graph D: TT2 Monthly Traffic Figures by Payment Type. Shows how customers met the toll requirements. Cash, Permit or Exempts.

Appendix B – Tyne Pedestrian and Cyclist Tunnel Progress Booklet