



## Bee Network Committee

Date: Thursday 27<sup>th</sup> July 2023

Subject: Extension of the Metrolink Operations and Maintenance Agreement – Part A

Report of: Daniel Vaughan, Head of Metrolink, TfGM

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### Purpose of Report

To seek approval to trigger the extension option within the Metrolink Operations and Maintenance Agreement (MOMA) with Keolis Amey Metrolink Ltd (KAM) to extend the contract until 25 July 2027.

### Recommendations:

The Committee are requested to:

1. Note the contents of the report;
2. Approve the proposed terms of an extension to the MOMA with KAM from 21 July 2024 to 25 July 2027.

### Contact Officers

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# Equalities Impact, Carbon and Sustainability Assessment:

## Recommendation - Key points for decision-makers

To seek approval to trigger the extension option within the Metrolink Operations and Maintenance Agreement (MOMA) with Keolis Amey Metrolink Ltd (KAM) to extend the contract until 25 July 2027

## Impacts Questionnaire

| Impact Indicator               | Result | Justification/Mitigation |
|--------------------------------|--------|--------------------------|
| Equality and Inclusion         |        |                          |
| Health                         |        |                          |
| Resilience and Adaptation      |        |                          |
| Housing                        |        |                          |
| Economy                        |        |                          |
| Mobility and Connectivity      |        |                          |
| Carbon, Nature and Environment |        |                          |
| Consumption and Production     |        |                          |

Contribution to achieving the GM Carbon Neutral 2038 target  
 There should be no change as a result of extending the existing contract with Keolis Amey Metrolink Limited, who will continue to operate and maintain the existing Metrolink asset base. Any impacts of the contract would have been captured under the equivalent exercise in 2016.

Further Assessment(s): N/A

|          |                                                       |          |                                                               |          |                                                                             |           |                           |
|----------|-------------------------------------------------------|----------|---------------------------------------------------------------|----------|-----------------------------------------------------------------------------|-----------|---------------------------|
| <b>G</b> | Positive impacts overall, whether long or short term. | <b>A</b> | Mix of positive and negative impacts. Trade-offs to consider. | <b>R</b> | Mostly negative, with at least one positive aspect. Trade-offs to consider. | <b>RR</b> | Negative impacts overall. |
|----------|-------------------------------------------------------|----------|---------------------------------------------------------------|----------|-----------------------------------------------------------------------------|-----------|---------------------------|

## Carbon Assessment

Overall Score #DIV/0!

| Buildings                                              | Result | Justification/Mitigation |
|--------------------------------------------------------|--------|--------------------------|
| New Build residential                                  | N/A    |                          |
| Residential building(s) renovation/maintenance         | N/A    |                          |
| New build non-residential (including public) buildings | N/A    |                          |
| <b>Transport</b>                                       |        |                          |
| Active travel and public transport                     | N/A    |                          |
| Roads, Parking and Vehicle Access                      | N/A    |                          |
| Access to amenities                                    | N/A    |                          |
| Vehicle procurement                                    | N/A    |                          |
| <b>Land Use</b>                                        |        |                          |
| Land use                                               | N/A    |                          |

|                                        |          |                                                             |          |                                                                |          |                                                                        |           |                                                                     |
|----------------------------------------|----------|-------------------------------------------------------------|----------|----------------------------------------------------------------|----------|------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| No associated carbon impacts expected. | <b>G</b> | High standard in terms of practice and awareness on carbon. | <b>B</b> | Mostly best practice with a good level of awareness on carbon. | <b>A</b> | Partially meets best practice/ awareness, significant room to improve. | <b>RR</b> | Not best practice and/ or insufficient awareness of carbon impacts. |
|----------------------------------------|----------|-------------------------------------------------------------|----------|----------------------------------------------------------------|----------|------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|

## **Risk Management**

Risk considerations are set out in the Part B report.

## **Legal Considerations**

The 3 year extension being proposed is the enacting of an existing extension option within the contract and the changes being proposed to the contract are permitted under the agreement, either via specific contractual provisions or via the existing change procedure.

## **Financial Consequences – Revenue**

Financial implications are set out in the Part B report.

## **Financial Consequences – Capital**

Financial implications are set out in the Part B report.

## **Number of attachments to the report: 0**

## **Comments/recommendations from Overview & Scrutiny Committee**

N/A

## **Background Papers**

GMCA Report “Metrolink 2017 Project” – 25 November 2016

GMCA Report “Extension of the Metrolink Operations and Maintenance Agreement – Part B” – 28 July 2023

## **Tracking/ Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

Yes

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

## **Bee Network Committee**

The report will be considered by the Bee Network Committee on Thursday 27<sup>th</sup> July 2023.

## **Overview and Scrutiny Committee**

N/A

# 1 Introduction/Background

- 1.1 At its meeting on 25 November 2016, the GMCA considered and approved the appointment of Keolis Amey Metrolink Ltd (KAM) as the Metrolink Operator and Maintainer, effective from 15 July 2017.
- 1.2 The initial term of the Metrolink Operations and Maintenance Agreement (MOMA) is seven years, expiring on 24 July 2024. However, the contract can be extended, at TfGM's sole discretion, for an additional period of three years from 24 July 2024 to 25 July 2027.

## 2 Proposal

- 2.1 It is proposed to trigger the extension option within the Metrolink Operations and Maintenance Agreement (MOMA) with Keolis Amey Metrolink Ltd (KAM) extending the contract until 25 July 2027.
- 2.2 TfGM has undertaken a 'Contract Review' exercise with KAM, which focused on opportunities for efficiencies and net revenue improvements. Via this process, it has been agreed that additional resources will be deployed to tackle fare evasion across the network, with additional incentives included in the contract to drive operational performance. The new terms, financial implications and risks and opportunities are set out in the Part B report that is also on the agenda for this meeting.

## 3 Next Steps

- 3.1 Subject to GMCA approval, TfGM will finalise the contractual details with KAM before entering formally into the extension.
- 3.2 The contracting strategy for the Metrolink network upon expiry of the extended term will be reviewed, in the context of the Bee Network, throughout 2024. This review will explore all options for the operating model for Metrolink from 2027 onwards, including the option of direct delivery.