



Corporate Responsibility Report 2010
A local focus driving growth



We're a part of the
Go-Ahead
Group

www.simplygo.com

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Cheap Day Returns lead the drive on customer value.

ABOUT GO NORTH EAST

Go North East has been a pioneering market leader across many aspects of our business including the environmental performance of our fleet, accessibility, use of technology, pricing, customer communications and consultation.

Our responsive approach applies equally to customising services for public and private sector organisations and to designing network services and prices in a customer-focused manner.

2010 HIGHLIGHTS

- Continued investment in state of the art buses
- Cheap Day Returns leading the way in customer value improvements
- Extending our customer communications and consultation methods

WHERE WE OPERATE

Go North East is the biggest bus operator in North East England, with 665 buses and over 2000 employees.



Message from Peter Huntley, Managing Director



Above all, our business is people-focused and the many positive comments I have received make me proud to head what I believe is the best bus company in Britain.

Peter Huntley,
Managing Director

I am proud to welcome you to our sixth annual Corporate Responsibility Statement. In this report we set out our engagement with the local community and contribution to the economy of the North East; we also explain our wider contributions, those that take us beyond our 'day job' of getting 75 million passengers a year safely to their destinations.

Last year presented many challenges – including the worst winter for decades, economic recession and the start of significant cuts in public spending. However, these problems also presented opportunities and the winter disruptions demonstrated this perfectly with our effective use of Facebook and Twitter to keep our customers updated in the changing conditions. With over 5,000 subscribers this is now a permanent part of our customer communications.

Listening to customers is very important to us and this year we have carried out a record number of consultations and shared the results.

Community engagement extends well beyond our customers, however. We have also broadened our involvement with youngsters by taking part in an exciting programme called It's Your Choice. Working alongside other operators and the emergency services, this interactive event raises awareness among young people of the dangers of anti-social behaviour.

We also maintain strong links with groups representing disabled people to make sure we maintain our position as the most accessible transport provider in the region.

With one of the largest easy access fleets in the country, we are about to begin a major programme of ramp replacement in order

to maintain the leading position we hold in accessibility. Our unique wheelchair guarantee – which provides a taxi at our expense if, for any reason, we are unable to transport someone in a wheelchair – is also helping us to maintain our leading position. But accessibility issues are not just about the buses themselves and our efforts include staff training initiatives and participation in the 'Bridge Card' scheme, helping individuals to communicate any special needs to our staff.

Economic recession is putting pressure on many families in our region and we have responded with new fares designed to reduce the cost of travel. Our new 'Cheap Day Return' fares have been very successful with over a million customers a year saving up to 35% of their travel costs. We've also given more people the opportunity to access their local facilities by extending our affordable, flat fare offers which are easy to understand and provide excellent value for money. And exciting development over the coming year will be the introduction of the key – the first smartcard to be introduced for bus travel in the region.

With safety and security high on the list of customer priorities, every bus in operation on our services has had CCTV coverage for the last three years. This has not only proved to be a highly effective deterrent, but provided invaluable evidence to help us obtain successful prosecutions in a number of court cases.

Go-Ahead leads the UK on environmental achievements, clearly demonstrated when it became the first and only UK transport operator to be awarded accreditation by the Carbon Trust. At local level, Go North East has the youngest and cleanest fleet in the region and the company is now promoting the cleanliness of its bus engines with its own unique 'Red Kite' indicators. We introduced our cleanest buses yet when we took over the prestigious 'Quaylink' contract in Newcastle and Gateshead this summer.

Last, but by no means least, we pride ourselves on our relationship with our 2,100 employees. We are passionate about sharing the benefits of our success with staff and enhance rewards to reflect performance for safe driving, good customer care, fraud detection, fuel efficient driving and long service. Above all, our business is people-focused and the many positive comments that I have received during the last winter about the commitment and professionalism of our staff make me proud to head what I believe is the best bus company in Britain.

Our 2010 performance

75m

ANNUAL PASSENGER
JOURNEYS

5,000

TWITTER AND
FACEBOOK FOLLOWERS

100%

OF BUSES ON OUR
MAIN SERVICE HAVE
CCTV COVERAGE

1st

CARBON TRUST
ACCREDITED UK
TRANSPORT COMPANY

2,100

EMPLOYEES

Maintaining a safe and secure environment for our passengers

Safety

80%

OF OUR DRIVERS
HAVE SUCCESSFULLY
COMPLETED THE
ACCIDENT CAUSES AND
AVOIDANCE COURSE

Safety on buses and at bus stops is an important consideration for many passengers and that's why it's one of our top priorities.

The feeling of personal safety on the bus is enhanced by the presence of CCTV cameras on all of our main services. We have achieved near 100% CCTV coverage on our buses for the last three years and do not hesitate to use the footage we capture to help secure convictions for offences against our passengers or drivers. An experiment with CCTV cameras at bus stops to further improve that feeling of safety for our passengers is currently underway in partnership with Nexus.

15%

REDUCTION
IN ACCIDENTS

Accident reduction is also an area we have been working on a great deal, providing enhanced driver training to reduce the number of driver-related accidents. In the last year we have refreshed our driver training with a new Accident Causes and Avoidance course and almost 80% of our drivers had successfully completed the course by the end of June 2010. The results from the training are very promising with driver-responsible accidents already showing a reduction of 15%.

On bus screens provide reassurance and a medium for passenger information.



Recognising the contribution our business can make to improving the world around us

Environment

Recognising our environmental responsibilities is one of our core concerns. We have introduced a number of ground-breaking initiatives which focus on our strong environmental performance and last year we added a new personal travel plan pilot to our growing list of achievements.

Working with Smarter Choices, we identified Low Fell as an area where, despite good links to our services, bus use remained low. Our objective was to encourage more people in the area to use sustainable transport, including the bus, by setting interesting travel challenges and encouraging as many people as possible to leave their car at home. Individual travel plans were drawn up for everyone taking part, helping them to make a smooth transition to their new choice of transport.

At the end of the project, nearly 30% of people taking part said they were using the bus more and, overall, 63% said they chose at least one sustainable method of transport more often.

We also worked in partnership with Newcastle Building Society to help encourage more of their staff to consider greener ways of travelling to work. Over 1,000 staff were offered free bus travel and a personalised travel plan with the aim of reducing their carbon footprint and the impact of their travel choices on the environment.

We are working together with npower to deliver greener travel alternatives as part of their major employee relocation plans for their new headquarters at Rainton Meadows, Houghton-le-Spring.

30%

OF PEOPLE TAKING PART
IN 'SMARTER CHOICES'
USE THE BUS MORE

63%

CHOSE AT LEAST ONE
SUSTAINABLE METHOD
OF TRANSPORT
MORE OFTEN

OVER

1,000

NBS STAFF OFFERED
FREE BUS TRAVEL



Fuel efficient driving improves our
carbon footprint.

Delivering recession-beating value to our customers

Passengers

94%

OF CUSTOMERS BELIEVE THEY GET A VALUE-FOR-MONEY SERVICE

CHEAP DAY RETURN FARES ATTRACTED

17%

NEW CUSTOMERS

100%

OF ALL MAIN SERVICES HAVE EASY ACCESS

Last year we brought in a number of new, exciting pricing initiatives aimed at countering the effects of the economic recession.

With passengers increasingly on the look-out for bargains, we introduced Cheap Day Return fares, which provide excellent value for money and focus on the most popular and frequently-visited destinations around the region.

To promote the new fares, shoppers at the region's biggest centres were treated to a series of fun, family-friendly 'Catch-A-Bus' roadshows.

Since Cheap Day Return fares were introduced, they've been a big hit with passengers. After just a few months, a survey found that 17% of people buying Cheap Day Returns were new customers and 94% agreed that the fares offered good value for money.

Communicating all of our price offers clearly and widely has been boosted by a new regular MoneySaver guide and with promotional window panels which can be seen before passengers board.

Innovative smartcard ticketing with the key

This year, Go North East became the first bus operator in the region to introduce smartcards to pay for bus travel.

Developed as part of Go-Ahead's national smartcard initiative, the key offers its own exclusive fare discounts, saves carrying cash and is easily and quickly topped up on-line. The key is currently being trialled on our Prince Bishops service between Sunderland and Durham, but will be rolled out to all Go North East services towards the end of the year.

Accessibility

All of our main services are 100% easy access and our unique Wheelchair Guarantee offers additional reassurance by providing a complimentary taxi in the event of a ramp being out of order.

The key smartcard is first to market in the north east.



Recognising, rewarding, encouraging, inspiring and providing opportunity

Employees

Recognising and rewarding the efforts of our staff is a big part of encouraging and inspiring them to deliver the best service to our customers.

Each year we reward staff members who have shown outstanding service by holding our Go The Extra Mile awards. The awards presented on the night acknowledge staff achievements and exceptional performance in areas such as safe driving, achieving professional qualifications and customer service. We also acknowledge employees who have provided loyal service to the company with awards for long service which were extended recently to be even more inclusive.

Providing our employees with an opportunity to develop their skills is also a big priority and we recently opened our first learning centre in Stanley where staff can take advantage of a range opportunities in the heart of their workplace. The centre offers the space and facilities to share skills and hobbies with their colleagues as well as study for formal qualifications.

This year we introduced an online staff benefits scheme which can deliver an average of £800 a year in savings for employees.

liP is a recognised standard for good business performance and standards based on information gathered from employees. Go North East has once again retained its Investors in People (liP) status.

GO THE EXTRA MILE
AWARDS HAVE BEEN
RUNNING FOR

5 years

FIRST LEARNING CENTRE
OPENED IN MAY

RETAINED INVESTOR IN
PEOPLE STATUS FOR THE

7th
YEAR IN A ROW

*Continuous improvement in employee
recognition and communication is
demanded at all levels.*



Getting closer to the communities we serve

Community

340%

INCREASE IN
FACEBOOK AND
TWITTER FOLLOWERS

Go North East's employees won praise from many quarters for maintaining services during the long hard winter.

An exciting new initiative for us this year involved working with schoolchildren to highlight the potentially serious consequences of anti-social behaviour:

Working in partnership with Nexus, local councils and emergency services, the It's Your Choice event delivered a series of imaginative workshops where children had the chance to perform a play as well as write and sing a rap focusing on anti-social behaviour.

The consequences of throwing stones and other objects at buses was just one of the topics covered. However, rather than standing up and telling kids about the possible consequences of their actions, getting them to immerse themselves in a story they can associate with is thought to be a much more effective way of getting the message across.

Martin Harris, Commercial Director with Go North East said, "The consequences of throwing stones and other missiles at buses can have catastrophic results, so we were delighted to take part in the workshops to highlight this message in a way which really absorbed the youngsters."

Facebook and Twitter

Social media has provided a valuable tool in bringing us closer to the communities we service. Both Facebook and Twitter proved invaluable during the atrocious winter weather when we were able to give our passengers regular, live updates and answer their questions about how the weather was affecting their bus services. The huge growth in followers has been testament to the value placed on this service by customers.



Data table

	2009/2010	2008/2009	2007/2008
Safety			
Bus accidents (per million miles)	23.45	24.93	847
Fleet with CCTV (%)	100	100	100
Environment			
Carbon emissions per passenger journey (kg)	0.82	0.82	0.85
Site energy savings			
– Gas consumption (kwh)	4,486	4,378	5,030
– Electricity consumption (kwh)	2,273	2,293	3,010
Fuel efficiency			
– Miles per gallon	7.51	7.48	7.36
Passengers			
Number of journeys running to schedule (%)	93.9	93.43	93.88
Total fleet with low floor (%)	84.7	82	83
Web sales (%)	4	–	–
Employees			
Number of employees	2,019	2,059	2,009
Turnover rate (%)	10	10	13
Absence rate (%)	4	4	4
Number of staff training days	3,861	10,928	6,169
Diversity by ethnic group (%)			
– Asian, black or other origin	3	2	3
– White	97	98	97
Diversity by gender (%)			
– Women	8	8	8
– Men	92	92	92
Average length of service (yrs)	11yr 3m	11yr 4m	11yr 10m
Community			
Charitable giving and investment (£)	14,010	13,200	14,488
Number of stakeholder events	31*	n/a	n/a

* First year of data collection.

For information on the full Group data please visit our corporate website www.go-ahead.com

We're a part of the **Go-Ahead** Group

You can find out more about Go North East by visiting our website www.simplygo.co.uk and more information on how Go North East manages its corporate responsibilities can be found by visiting www.go-ahead.com/corporateresponsibility

If you have any comments, views or ideas on how we might improve, or have any thoughts on other issues that we should address in this report, please write to:

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**BUREAU
VERITAS**

Verification of Corporate Responsibility data

For the second year Bureau Veritas UK Ltd has worked with the Go-Ahead Group plc (Go-Ahead) to verify and to provide an independent opinion on selected corporate responsibility (CR) key performance indicators (KPI) data contained within the Go-Ahead Group's Corporate Responsibility Report 2010. The information and data reviewed for this verification process relates to the period of 28th June 2009 to 3rd July 2010. The verification incorporated site visits, interviews, document review and checking of Group and Operating Company data.

The full Bureau Veritas verification statement is available in Go-Ahead's Corporate Responsibility Report and at <http://corporateresponsibilitygo-ahead.com/>

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