



Tyne and Wear Passenger Transport Authority

15 December 2005
(10.30 – 10.50 am)

Present:

Councillor: D Wood (In the Chair)

Councillors: Bollands, Keating, Lawson, O'Shea, Sleightholme, Watson and P Wood

In Attendance: P Woods, I Wallace, C Warren, J Curran

Representing Nexus:

M Parker, B Garner, S Atkinson and K MacKay

71. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors: Hanson, Shipley and Alan Ord.

72. **DECLARATIONS OF INTEREST**

Councillors Sleightholme, P Wood and Bollands declared personal interests in agenda item 4 (concessionary travel).

73. **AUDIT COMMISSION – ANNUAL AUDIT AND INSPECTION LETTER**

Submitted: A Report of the Treasurer to the PTA (copies attached to Official Minutes).

P Woods introduced the report which indicated the Authority had made good progress and maintained financial stability. There were no items of significance other than a statement noting the future financial risks of free travel schemes for the elderly and disabled.

I Wallace (District Audit) commented briefly on the letter explaining that it set out the key issues which the Audit Commission wished the authority to consider. He commented on the importance of producing an action plan on how to address the issues highlighted. P Woods explained it was intended to produce an action plan which would be brought to the authority and monitored throughout the course of the year. He went on to express concern about the large funding gap on concessionary fares. A re-drafted report had been submitted to reflect the current position.

In response to a members query, P Woods explained that a lot of substantial testing of key areas had been carried out, particularly in relation to the interface with Tyne Tunnel where there were issues around the payroll system which needed further work.

RESOLVED – That the report, audit and inspection letter be received and noted.

74. **REVENUE SUPPORT GRANT-CONSULTATION RESPONSE AND FUNDING OF THE CONCESSIONARY FARE SCHEME**

Submitted: Report of the Deputy Clerk and Treasurer to the PTA and Director of Finance and Administration, Nexus (copies attached to official minutes)

P Woods summarised the impact of the announcement of revenue support grant made on the 5 December. The conclusions drawn so far were that provision of £12.6m had been made for Tyne and Wear in relation to offering free concessionary travel for the elderly and disabled from 1 April 2006. All the detailed information for each of the Tyne and Wear districts had not yet been released. The estimates were that the award fell £7.3m short of the estimated impact upon the Nexus budget.

The Director General referred to the fact that together with the Chair and Vice Chairs and local MPs, he was to meet P Woolas (Local Government Minister) on the 19 December for further discussions. Local MPs had raised the issue during Prime Minister's question time and had received a commitment that if the matter has not been resolved satisfactorily on the 19th, then the Prime Minister was prepared to meet local MPs.

The Chair explained that he had written on behalf of the Authority to P Woolas and D Milliband. If there was no further grant forthcoming then some very difficult decisions would have to be made at the January meeting.

P Woods explained that he had been asked to provide questions which would be put to the Minister in advance and these were being prepared. If members had any specific questions to be asked at the meeting on the 19th, they should pass them on as soon as possible. Officers were beginning to look at contingency plans should more grant aid not be forthcoming. Discussions with district leaders and chief executives would be held in advance of the January Passenger Transport Authority meeting.

The Chair wished to record the thanks of the authority to local MPs for their interventions on this matter and to P Woods and S Atkinson for the work they had put in. P Woods added that a response would be prepared from the PTA and this would be agreed with the Chair and Vice Chairs so that a response to the draft revenue support grant settlement could be submitted by the 11th January.

RESOLVED – That:

- (i) the report be noted;
- (ii) the key points be agreed in consultation with the Chair and Vice Chair be included in the authority's formal response to the draft revenue support grant settlement which needed to be submitted by the 11th January 2006.

75. **TRANSPORT INNOVATION FUND (TIF)**

Submitted: A Report of the Director General (copies attached to Official Minutes).

B Garner outlined the proposed work programme to deliver studies funded by the Transport Innovation fund following the award of £950,000 match funding for studies into radical alternative transport strategies for Tyne and Wear.

In response to a query, B Garner explained that the Road Pricing Liaison Group which was a group set up by the Minister to ensure that work was done on the various elements which contributed to the national debate on transport. This did involve representatives of all the local authorities. It was in the process of being established. If possible that it would be chaired by the Chief Executive of Newcastle City Council. The Chair suggested that the Director General should be on the group. He indicated he would be willing to do this.

A member queried the briefing note circulated to members on the LTP settlement for 2006/07. He referred particularly to the second bullet point which explained that the financial impact was 5% being deducted from the guideline allocation and queried whether this should not be 10%. S Atkinson undertook to look at the letter received on the LTP settlement again and clarify this for members. If necessary the briefing note would be reissued to members before the next meeting of the authority.

RESOLVED – That the report be received and noted.