

Cabinet



Date of meeting: 17 January 2023

Title of Report: **Tamar Bridge and Torpoint Ferry**

Lead Member: Councillor Jonathan Drean (Cabinet Member for Transport)

Lead Strategic Director: Anthony Payne (Strategic Director for Place)

Author: David List, General Manager Tamar Crossing

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Your Reference:

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

The Tamar Bridge and Torpoint Ferry have historically been operated together as a single undertaking on a 'user-pays' principle funded almost entirely from toll income. The undertaking maintains a contemporary financial model that incorporates income forecasts based on traffic levels. Income at the two crossings had been significantly reduced by the effect of Covid-19 and traffic levels have still not recovered to pre pandemic levels and are now operating at circa 90% of that previously.

This report sets out for consideration and approval, the proposed revenue estimates (budget) for PCC and CC Cabinet and Full Council for 2023/24 and indicative figures for the subsequent three years 2024/25, 2025/26 and 2026/27, together with the proposed capital programme.

The global economy is experiencing changes in consumer patterns, and inflation, at an unprecedented rate. Unforeseen 12 months ago when preparing the Revenue Estimates and Capital Programme Report 2022-2026. The consequences of the economic situation impacts both the income and the expenditure of the Joint Undertaking. The assumptions used to calculate the revenue estimates and proposed capital programme were based on information available to officers at the time of report preparation. However, it is hoped that this level of increase will settle over the 4 year period, to those seen in more recent years.

The full report, with appendices, agreed by the Joint Committee on the 2nd December 2022, is attached for reference.

Recommendations and Reasons

That Cabinet recommends to Council:

1. That the 2023/24 revenue estimates and capital programme and the draft 2023-24 Business plan, as set out in the appendices to the JC Report, be approved; and
2. The longer-term forecast to 2026/27 is noted.

Reasons

Without an approved budget, agreed by the parent authorities, PCC and CC, bridge and ferry operations would be unable to operate. An agreed, approved budget is a requirement of the existing governance arrangements of the parent authorities.

Alternative options considered and rejected

Not to approve the Budget as presented; rejected on the basis that Bridge and Ferry operations need to provide safe crossings 24/7/365, connecting communities, supporting the local and national economy and providing access to healthcare and leisure.

The do nothing option was also rejected; as it would result in the parent authorities not delivering safe crossings or meeting their responsibilities regarding a duty of care.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Tamar Bridge & Torpoint Ferry links are key gateways to the City and provide opportunities for investment, jobs and growth particularly in the wider context of Plymouth as the regional economic centre.

Providing a safe well-maintained road network contribute to the economic well-being of the City, supporting the Council's Growth priority.

Financial Risks

The recommendations addresses the safety and operational requirements and reduces associated risk to the parent authorities.

Carbon Footprint (Environmental) Implications:

Continued service delivery will provide reliable journey times and minimises the potential for congestion or longer diverted journeys and related pollution.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

Risk Management – This report addresses the requirement to continue with BAU for these important crossings.

Health and Safety – Key Performance Indicators within the Strategic Plan and associated Annual Plans are designed to drive improvement.

There are no child poverty or community safety implications.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 1 of the Local Government Act 1972 by ticking the relevant box</i>						
		1	2	3	4	5	6	7
A	Briefing report – Tamar Bridge and Torpoint Ferry 2023/24 Revenue and Capital Programme							
B	TBTFJC Report 2 December 2022, 2 December 2021							
C	Draft Minutes of TBTFJC Meeting, 2 December 2021							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	DIN. 22.23. 321	Leg	EI/38 851/1 9.12.2 2(3)	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: Philip Robinson (Service Director for Street Services)											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 20/12/2022											
Cabinet Member approval: Councillor Jonathan Drean, Cabinet Member for Transport Date approved: 05/01/2023											

Appendix A

Briefing Report -

Tamar Bridge and Torpoint Ferry 2023/24 Revenue and Capital Programme

Introduction

- 1.1 The Tamar Bridge and Torpoint Ferry are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act. The finances of the joint undertaking are effectively ring-fenced by the Act, and it is operated in normal times as a self-financing business.
- 1.2 The existing governance requires that both parent authorities agree an annual Budget to facilitate the undertakings as part of the operational delivery remit.
- 1.3 The budget for 2023/24 will meet the requirements of the Councils, in that it is balanced and affordable, even though traffic levels have remained below pre-Covid levels and are currently running at approximately 90% at both crossings, which is line with the 90% level incorporated in the financial model.
- 1.4 Appendix 4 of the TBTF JC Report, 2023/24 Revenue and Capital Programme contains the Annual Business Plan.
- 1.5 The detailed projection to the effect on the undertaking's financial position and the response of TBTFJC is detailed in Section 2 of the TBTFJC Future Financing Report at Appendix B.

2. Future Finance issues

- 2.1 There are concerns however that in the coming years, unless action is taken, there may be a deficit that would require addressing, as seen in the table below;

	2022/23	2023/24	2024/25	2025/26	2026/27
Forecast reserve surplus / (deficit) at 31st March	£0.614m	£0.192m	(£1.140m)	(£1.664m)	(£2.133m)

- 2.2 The Tamar Bridge Act 1957 sets out the default process to be followed if such deficits arise, namely that the parent authorities, Cornwall Council and Plymouth City Council cover that deficit for subsequent recovery at some later stage when the undertaking returns to a surplus position.

- 2.3 The primary reasons identified for the projected deficit are interest rate rises, currently circa 10% and energy costs that have risen exponentially.
- 2.4 A 30% toll increase was proposed earlier in 2022 with a request made to the SoS for Transport, this was agreed by the SoS and will be implemented in January 2023. The issues identified in 1.6 were not present when the assessment was made, to set the required Toll increase. The increase agreed by the parent authorities reflected the situation at the time with local authority due diligence regarding projected costs.
- 2.5 The TBTF JC Report (2.16 Reserves) shows the projected deficit issue (Table in 1.3 above) and concern was duly raised by the Joint Committee, who agreed that a Workshop would be held early in 2023, to assess opportunities and options to address the deficits identified.
- 2.6 The Joint Chairmen of TBTFJC and Portfolio Holders of both authorities have continued to lobby government to;
 - a) Have the ability to apply RPI locally, which will require Primary Legislation and is currently being investigated and
 - b) For long-term financial support for the Bridge, although this request has been without success to date.
- 2.7 Resolutions can be found in the draft minutes of the TBTF JC meeting on 2 December 2022 which are attached at Appendix C.

Appendix B

Report to:	Tamar Bridge & Torpoint Ferry Joint Committee	
Date:	2nd December 2022	
Title:	2023-2024 Revenue and Capital Programme	
Portfolio Area:	Cornwall Council: Transport Plymouth City Council: Transport	
Divisions Affected:	All	
Local Member(s) briefed:	NA	
Relevant Scrutiny Committee: Cornwall Council: Economic Growth and Development Plymouth City Council: Growth and Infrastructure		
Authors, Roles and Contact Details:	Jamie Wright, Service Accountant 01872 322222 jamie.wright@cornwall.gov.uk Andrew Vallance, Governance and Finance Manager 01752 36157 andrew.vallance@tamarcrossings.org.uk	
Approval and clearance obtained:		Y / N
Date next steps can be taken		2nd December 2022
For Cabinet and delegated executive decisions only		
Key decision? (≥£500k in value or significant effect on communities in two or more electoral divisions)		N
Published in advance on Cabinet Work Programme?		N
Urgency Procedure(s) used if 'N' to Work Programme?		N

Recommendation(s) to the Councils of the Parent Authorities via the Cabinets of the Parent Authorities:

1. That the 2022/23 revenue estimates and capital programme and the draft 2022-23 Business plan, as set out in the appendices to this report, be approved; and
2. the longer term forecast to 2026/27 is noted.

I Executive Summary

- 1.1 This report sets out for consideration and approval, the proposed revenue estimates (budget) for the Joint Committee for 2023/24 and indicative figures for the subsequent three years 2024/25, 2025/26 and 2026/27, together with the proposed capital programme.
- 1.2 The global economy is experiencing changes in consumer patterns, and inflation, at an unprecedented rate. Unforeseen 12 months ago when preparing the Revenue Estimates and Capital Programme Report 2022-2026. The consequences of the economic situation impacts both the income and the expenditure of the Joint Undertaking. The assumptions used to calculate the revenue estimates and proposed capital programme are based on information currently available to officers. However, it is hoped that this level of increase will settle over the 4 year period, to those seen in more recent years.

2 Purpose of Report and key information

- 2.1 The Tamar Bridge and Torpoint Ferries (TBTF) are operated, maintained and improved jointly by Plymouth City Council and Cornwall Council on a 'user pays' principle, being funded by toll income using powers derived from the Tamar Bridge Act.

In developing the budgets for 2023/24 to 2026/27 set out within appendix I, the following inflationary and interest assumptions have been used:

Rates	2023/24	2024/25	2025/26	2026/27
Inflation CPI	7.5%	1.80%	2.00%	2.00%
Inflation RPI	8.30%	2.6%	2.80%	2.80%
Pay Inflation	4.50%	2.00%	2.00%	2.00%
Interest (Receivable)	1.00%	1.00%	1.00%	1.00%
	4.68%	4.68%	4.68%	4.68%

Interest (Payable) existing borrowing				
Interest (Payable) new borrowing	3.38%	3.38%	3.38%	3.38%

- 2.2 The second interest rate payable line above reflects the revised offer made by Cornwall Council for new loans agreed from April 2019. It should be noted that the rate will only be fixed when loans are taken out and future rates are subject to movement in the general market. Loans that predate April 2019 will continue to be calculated using Cornwall Council's historic consolidated rate of interest.
- 2.3 The proposed budget is set out in Appendix I. The variations between the latest 2022/23 forecast and the proposed 2023/24 budget are listed on page 5 of Appendix I. The 2024/25 to 2026/27 estimates are only indicative.
- 2.4 Some of the more significant items affecting the proposed budgets are as follow:
- 2.5 The **Corporate** cost centre currently shows a favourable movement of £1.686m.
- 2.6 Increasing the tolls by 30% has increased the forecasted income by £1.649m.
- 2.7 By issuing the tag statements electronically instead of being issued via the post is expected to save £0.068m.
- 2.8 Bank charges have seen an increase of £0.037m due to the increase in the tolls.
- 2.9 The **Bridge's** revenue budget makes provision for the ongoing maintenance and operations of the bridge and its infrastructure in line with current engineering practices. The movement from the previous year shows an adverse movement of £0.674m. The main changes from the previous year are:
- 2.9.1 Staffing including agency is showing an increase £0.052m due to pay awards and inflation rises.
- 2.9.2 Bridge and gantry inspections is showing an increase of £0.320m due to the requirements for 2023/24.
- 2.9.3 Energy costs are showing an increase of £0.154m due to rising electricity costs
- 2.9.4 Toll cash handling and collection is showing an increase of £0.057m due to inflation rises.
- 2.9.5 Operational expenses have increased by £0.088m owing to the consumer price index (CPI) estimate of 7.5% for next year.

- 2.10 The **Ferry's** revenue budget also makes a provision for the ongoing maintenance and operation of the ferries and their associated infrastructure in line with current engineering practices. The movement from the previous year shows an adverse increase of £0.529m. The main changes are as follows:
- 2.10.1 Staffing including agency staff is showing an increase of £0.391m due to pay awards, inflation rises and issues recruiting.
- 2.10.2 Repairs & Maintenance (R&M) building and ground maintenance is forecasting a saving of £0.043m.
- 2.10.3 Marine oil has increased by £0.029m
- 2.10.4 The other areas have been hit by inflation rises due to CPI being estimated at 7.5% for 2023/24.
- 2.11 The **Learning Centre** costs has increase by £0.021m, mainly to due to a £0.018m increase in activities.
- 2.12 Minimum Revenue Provision (MRP) and Interest repayments have reduced by £0.047m following:
- Re-profile of £0.125m Bridge LED lighting into 2022/23 and a reduction in costs of £0.125m.
 - Re-profile of £0.900m ferry traffic control systems into 2022/23.
 - Reduction of £1.300m in the Bridge resurfacing and £0.200m re-profiled into 2022/23.
 - Additional £0.400m for Bridge Deck waterproof/drainage.
 - Movement of £0.200m for the Parapet Works into 2022/23 as a future scheme
- 2.13 The proposed Capital Programme is shown in Appendix 2. Work has been undertaken by officers to assess the current capital programme and the revised estimate for 2022/23 is now anticipated at £2.841m, a decrease of £2.059m based on the changes below:
- Re-profile of £1.500m for Rocker/Pendle remedial works into 23/24
 - Re-profile of £0.900m ferry traffic control systems into 2023/24
 - Reduction of £0.125m Bridge LED lighting
 - Additional £0.400m for toll system updated.
- 2.14 Two indicative future schemes have been added for 2023/24, £0.300m for Torpoint offices and workshops refurbishment and £0.400m for Toll Booth replacement.

- 2.15 **Reserves** – the reserve position as at 31st March (Appendix 3) is shown in the table below:

	2022/23	2023/24	2024/25	2025/26	2026/27
Forecast reserve surplus / (deficit) at 31 st March	£0.614m	£0.192m	(£1.140m)	(£1.664m)	(£2.133m)

- 2.16 The Joint Committee receive a quarterly update on its financial position in order to provide assurance that the finances of the undertaking are being managed appropriately and that any significant issues are highlighted and necessary action is taken to address them.

Annual Business Plan

- 2.17 The Terms of Reference for the Undertaking requires that an Annual Business Plan accompanies the budgets for approval by Full Councils. The 2023/24 Draft Business Plan attached as Appendix 4, is a single year plan recognising that a full review of this process may be required following any feedback from the ongoing consultant's review.

3 Benefits for Customers/Residents

- 3.1 Appropriate management of finances and budget monitoring ensures that appropriate resources are available for the operation, maintenance and improvement of the crossings which form key elements of the local transport network which is essential to the sustainable economic and social development of the region for the benefit of residents.

4 Relevant Previous Decisions

- 4.1 Approved budget for 2022/23 at Tamar Bridge and Torpoint Ferry Joint Committee of 3rd December 2021 (TBTF/34)
- 4.2 <https://democracy.cornwall.gov.uk/documents/s152034/2022%2023%20Revenue%20Estimate%20and%20Capital%20Programme%20Report.pdf>
- 4.3 Approved budget for 2022/23 at Cornwall Council meeting of 22nd February 2022 (CC/148)
- 4.4 <https://democracy.cornwall.gov.uk/documents/s153916/Tamar%20Bridge%20Torpoint%20Ferry%202022-23%20Revenue%20Estimates%20and%20Capital%20Programme.pdf>
- 4.5 On recommendation of Cabinet meeting of 9th February 2022 (CAB/88)

- 4.6 <https://democracy.cornwall.gov.uk/documents/s153587/Tamar%20Bridge%20and%20Torpoint%20Ferry%20-%20202223%20Revenue%20Estimates%20and%20Capital%20Programme%20-%20Report.pdf>
- 4.7 Approved budget for 2022/23 at City Council meeting of 24 January 2022
- 4.8 <https://democracy.plymouth.gov.uk/ieListDocuments.aspx?CId=276&MID=9992>
- 4.9 On recommendation of Plymouth City Council Cabinet meeting of 11 January 2022
- 4.10 <https://democracy.plymouth.gov.uk/ieListDocuments.aspx?CId=254&MID=9715>

5 Consultation and Engagement

- 5.1 The Joint Committee receive quarterly updates on the financial position

6 Financial Implications of the proposed course of action/decision

- 6.1 Financial implications are detailed within Section 2 of this report. Whilst this report only seeks approval of the 2023/24 revenue budget and capital programme, the forecast over the 4 year period includes assumptions and best estimates at the time of preparation. The forecast shows that the reserve will be in deficit early 2024/25, unless alternative funding or income, or reduced expenditure, can be identified.

	2022/23	2023/24	2024/25	2025/26	2026/27
Forecast reserve surplus / (deficit) at 31st March	£0.614m	£0.192m	(£1.140m)	(£1.664m)	(£2.133m)

- 6.2 The Joint Committee will need to consider a range of options to address the deficit reserve position. However, in the event that the reserve is in deficit at the end of a financial year, the Joint Parent Authorities would need to provide revenue support to remedy the deficit. This means that by the end of 2026/27 (based on current assumptions) cumulative revenue support required would be £2.133m (£1.066m from each Parent Authority).
- 6.3 Included in the 2025/26 assumptions is a return to pre-pandemic traffic levels. This will need to be closely monitored over the next 12 months as current recovery has only been around the 90% level (+/- a few percent) of the pre-pandemic traffic levels. It has also been suggested that the United Kingdom will enter an official recession in 2023, and historically when this has happened the Joint Undertaking has seen traffic levels reduce, which would put further pressure on the income budget.

- 6.4 The global economy is experiencing changes in consumer patterns and inflation at an unprecedented rate. The financial impacts on the Joint Undertaking will be closely monitored by officers. Joint Committee Members will be kept informed through the budget monitoring reports presented at the quarterly Joint Committees in relation to the 2023/24 budget, and the Future Financing Reports in relation to the longer-term position.

7 Legal/Governance Implications of the proposed course of action/decision

- 7.1 The Joint Committee is being asked to make recommendations to the Full Councils of both parent authorities via the Cabinets of both parent authorities. Cornwall Council's Cabinet will consider this at its meeting on 8 February 2023 and Cornwall Council's Full Council will consider this at its meeting on 21 February 2023. Plymouth City Council's Cabinet will consider this at its meeting on 9 February 2023 and Plymouth City Council's Full Council will consider this at its meeting on 27 February 2023.

8 Risk Implications of the proposed course of action/decision

- 8.1 There are no implications associated with this report.

9 Cornwall Development and Decision Wheel

- 9.1 Not applicable.

10 Options available

- 10.1 To approve the proposed revenue estimate for 2023/24, capital programme and draft business plan as set out in Appendices 1 – 4. This is the preferred option for the reasons set out in this report.
- 10.2 To not approve the proposed revenue budget for 2023/24, capital programme and draft business plan as set out in Appendices 1 – 4. This is not the preferred option as a revenue budget, capital programme and business plan must be set.

11 Supporting Information (Appendices)

- 11.1 Appendix 1: Revenue Estimates for 2023/24 to 2026/27
- 11.2 Appendix 2: Capital Programme 2023/24 to 2026/27
- 11.3 Appendix 3: Reserve Estimates 2023/24 to 2026/27
- 11.4 Appendix 4: Draft Business Plan 2023/24

12 Background Papers

- 12.1 None

13 Approval and clearance

13.1 All reports:

Final report sign offs	This report has been cleared by (or mark not required if appropriate)	Date
Governance/Legal (Required for all reports)	Lia Musto-Shinton	23/11/2022
Finance (Required for all reports)	Geraldine Baker	23/11/2022
Cornwall Development and Decision Wheel (Required for all reports)		
Service Director (Required for all reports)	Vicky Fraser, Service Director – Environment and Connectivity	23/11/2022
Strategic Director (If required)		

Tamar Bridge and Torpoint Ferry Joint Committee
2023-2024 Annual Business Plan

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Message from the Chairmen

This Annual Business Plan extends beyond the last approved four-year Strategic Plan 2018-2022 agreed by the Committee in September 2017.

The Plan represents a continuation of an interim approach whilst the Parent Authorities, the Committee and management consider alternative approaches to business planning during the coming year. The provision of a single year plan ensures continuity whilst a review being undertaken with external assistance is ongoing.

The coming year will be an extremely busy and testing 12 months. The organisation needs to address the stresses caused by the current economic situation, particularly relating to inflation and increased energy costs, and the ongoing effects of the Covid pandemic on our income. The first of three refits will reduce service at Torpoint for a number of weeks in April and early May and major works on the bridge's main cables and articulation elements later in the year will be technically challenging. These projects reflect the Committee's continuing recognition of the need to ensure that the service provided by these essential and strategic crossings, under its control, remains robust and that programmes take a long view in maintaining the key assets.

It is that long view approach that has convinced the Committee to undertake strategic reviews of operational efficiency and the approach to long term business planning.

The Plan demonstrates our ongoing commitment to delivering a safe, reliable and efficient service to our users and it is intended that this document will form the basis of management reports to Members during the course of the year.

A summary of progress made against the Plan will accompany the Annual Report published in draft form in June 2024.

Councillor Martin Worth
Joint Chairman
Cornwall Council

Councillor Jonathan Drear
Joint Chairman
Plymouth City Council

The Context for the Annual Business Plan

Long Term Strategy

Plans for the longer term sustain the organisation's mission to provide safe, reliable and efficient crossings of the River Tamar. These plans are influenced by the Local Transport Plans of the Joint Authorities.

The physical and financial resources must continue to be available for major tasks such as resurfacing and repainting the Bridge and undertaking refits of the Ferries. Maintenance cycles may span consecutive Business Plan cycles, therefore while the medium-term financial plan spans four years, potential maintenance requirements beyond that period must also be considered within the organisation's general business plans.

The undertaking must maintain a clear strategy for the future to accommodate changes in traffic demand, user expectations, legislation and other factors that may stimulate changes in the way the undertaking operates and may require improvements to facilities. Therefore, potential change beyond the four year period of the medium-term financial plan must also be considered.

Continuity with the previous Strategic Framework

The Strategic Plan that expired in March 2022 contained a number of broad goals for the four-year period April 2018 to March 2022. Those goals remain relevant and are recorded below, with the continuing work to progress each goal. This approach is considered to be the most effective during a period when the organisation is developing new strategic approaches with the assistance of consultants.

Specific actions to achieve the desired outcomes are provided in KPI tables later in the document. These tables will allow Members, users and other stakeholders to monitor the performance of the service.

Strategic Goal: Meeting Customer Expectations

- Achieve or exceed service delivery KPIs
- providing more payment options for TamarTag customers
- providing a greater range of communication routes online
- undertaking major projects to ensure Bridge and Ferries are maintained to appropriate standards
- proactively communicate with customers
- expand scope and improve detail of traffic data

Strategic Goal: Fiscally Sustainable

- ensure that income can fund forecast expenditure
- act on an external review of operational efficiency
- routinely report progress and update financial positions
- improve management of toll debtors
- pursue the ability to index-link tolls

Strategic Goal: Transparent Governance and Clear Decision Making Processes

- consider alternative organisational models within risk and business efficiency consultancies
- adopt a revised approach to long term planning and business planning
- publish additional information and raise awareness of public meetings
- work towards a schedule of Committee meetings in Cornwall in addition to meeting in Plymouth
- consider ways in which the crossings might assist the Parent Authorities in addressing the Climate Emergency
- review legislation and governance

Strategic Goal: A Modern, Diverse and Well Trained Workforce

- act on workforce feedback and progress any recommendations from external review
- consider ways to mitigate recruitment issues in key specialist posts

Strategic Goal: Quality and Appropriate Standards

- improve pedestrian safety
- demonstrate our safety culture
- provide assurance about our approach to the environment
- maintain appropriate regulatory standards
- reduce environmental impact and ensure energy use is moderated

Actions Plan for 2023-24

The following detailed actions to meet the 2023-24 goals:

Meeting Customer Expectations

ACTION	Timeframe	RELATIONSHIP TO PROGRESSING STRATEGIC GOALS
Provide more flexible Direct Debit scheme for TamarTag customers	Spring 2023	Providing more payment options for cash and TamarTag customers
Expand the proactive customer engagement policy	Through 2023	Proactively communicate with customers

Fiscally Sustainable

ACTION	Timeframe	RELATIONSHIP TO PROGRESSING STRATEGIC GOALS
Review charging structure	Summer 2023	Ensure that the crossings remain financially sustainable.

Provide budget monitoring reports to Committee with updates to long-term model	Quarterly	Routinely report progress and update financial positions
Determine and progress the preferred route to enable index-linking of tolls	Ongoing	Reduce income risk
Complete an independent efficiency review of the undertaking	April 2023, report to Committee, June 2023	Assurance that best practice is being deployed to ensure that crossings represent value for money

Transparent Governance and Clear Decision Making Processes

ACTION	Timeframe	RELATIONSHIP TO PROGRESSING STRATEGIC GOALS
Expand independent publication of information	Ongoing	Publish additional information and raise awareness of public meetings
Undertake review of governance arrangements and consider new frameworks	Through financial year	Effective and transparent corporate oversight and challenge

A Modern, Diverse and Well Trained Workforce

ACTION	Timeframe	RELATIONSHIP TO PROGRESSING STRATEGIC GOALS
Implement recommendations from 2022 employee survey	Ongoing	Demonstrate value of workforce feedback
Review job design when vacancies occur to encourage more flexible working and part-time opportunities	Ongoing	Continue the actions detailed in Gender Pay Gap Reports
Review Employee Terms and Conditions	December 2023	Complete the actions detailed in external reports and action plans
Address any organisation issues raised in external reviews	Through financial year	Review legislation and governance

Quality and Appropriate Standards

ACTION	Timeframe	RELATIONSHIP TO PROGRESSING STRATEGIC GOALS
Upgrade traffic control systems at Torpoint and Devonport	2023 (Assumes recruitment of key staff)	Improve pedestrian safety

Certification of Occupational Health and Safety Management to ISO 45001 Standard	Autumn 2023	Demonstrate our safety culture
Certification of Environmental Management System to ISO14001 Standard	Autumn 2023	Provide assurance about our approach to the environment
Continue technical inspection programme at Tamar Bridge	Ongoing	Maintaining appropriate regulatory standards
Maintain ferries to classification society standards	Ongoing	Maintaining appropriate regulatory standards

Budget Context

The approved budgets for 2023-2024 are reported below.

Estimated income figures assume that traffic will be affected by major works at the bridge during the year and there is no growth in traffic volumes at Torpoint Ferry.

Forecast Income £s

Toll Revenue (Bridge)	14,211,000
Toll Revenue (Ferry)	1,835,000
Tag Related Fees	460,000
Income from Agency Charges	446,000
Rents & Miscellaneous Income	110,000
Grant Income	0
Investment Income and Interest	0

TOTAL FORECAST REVENUE

17,062,000

Forecast Expenditure

Bridge Operations & Maintenance	5,431,000
Ferry Operations & Maintenance	6,556,000
Learning Centre	135,000
Corporate Expenses	565,000
Interest Payments (cost of capital funding)	1,673,000
Repayment of Capital (Revenue Provision)	3,124,000

TOTAL FORECAST EXPENDITURE

17,484,000

Forecast Deficit for Year

£422,000

Reserves

The forecast deficit will mean that the reserve maintained as contingency will reduce from a forecast £614,000 at 31 March 2023 to a forecast £192,000 at the end of March 2024.

Capital Works

The borrowing required to fund capital works during the year is anticipated to be £10,650,000.

Performance Targets

In addition to the quarterly reports on progress made to the Joint Committee, progress against the measures below will be published on our website.

Table I Safe Services

Description	KPI	Target	Why this is important?
Number of accidents involving members of the public	Number of reportable incidents and accidents involving the public at both crossings	Zero and maintain	Public safety is an integral part of our business
Reportable incidents and minor accidents involving employees	Number of reportable incidents and accidents involving employees at both crossings	Reduce to zero and maintain zero incidents and accidents.	Staff safety is an integral part of our business. Need to mitigate risk to the lowest practicable level to avoid further accidents.
Lost time – employees	Days lost due to accidents	Less than 20 days	Provides a measure of the safety of the work environment. Reduces costs associated with absence or reduced capability following accidents.

Table 2 Reliable Services

Description	KPI	Target	Why this is important?
Bridge traffic lane availability	Peak time lane availability	>99.5%	Measures success of traffic management and reliability of infrastructure. Ensuring that lanes are open is key to ensuring that journeys are predictable and reduces the risk of accidents.
	Total lane availability	>98.5%	
Bridge toll booth availability	% of scheduled booth hours achieved	>99%	In addition to helping to ensure that journey times are predictable, the measure assists assessment of the performance of the contractor
Ferry scheduled crossings availability	Peak Time scheduled crossings achieved	To be confirmed	Measures success of vessel management and reliability of infrastructure. Predictable service is essential for customers to plan the best mode of transport.
	Off-Peak scheduled crossings achieved		
Ferry waiting/journey times	Average journey time from entry of waiting area to exit off ferry	To be confirmed (system extension pending)	Measures success of vessel management and reliability of infrastructure. Predictable journey times are essential for customers to plan the best mode of transport.
	Peak journey time from entry of waiting area to exit off ferry		
Bridge journey times	Average journey time between A38 Carkeel & St Budeaux junctions	< 5mins 45 sec	Measures success of traffic management and reliability of infrastructure. Predictable journey times are essential for customers to plan the best mode of transport.
	Peak average journey time between A38 Carkeel & St Budeaux junctions	< 6 mins	

Table 3 Effective and Efficient Services

Description	KPI	Target	Why this is important?
Expenditure	Variance against budgets	Monthly review within 10% of profiled spend	Cost control, financial management, efficiency.
Tag Usage	Overall usage	≈60%	Maintains plaza capacity.
	Peak usage	≈80%	
Complaints	Response time	95% of complaints responded to within 10 working days.	Those making complaints remain aware that their comments are valued and investigations are prioritised.
Payment within 30 days of invoice date	% of invoices are paid within 30 days	>95%	Payment within terms assists the relationship with suppliers and improves validity of financial monitoring process
Staff sickness absence	Days absence per employee per annum	Average of <9 days	Reflects a healthy workforce and sound HR practices.
Energy recovered waste incineration	non-hazardous waste to be diverted from landfill for energy recovery	60% diversion	Reduction of waste improves efficiency and demonstrates our concern for the wider community
Recycled waste	non-hazardous waste diverted from landfill to be recycled	40% diversion	

Monitoring Indicators

In addition to the key indicators that measure the organisation's own performance, other indicators can provide information on aspects of service delivery which can by varying degrees be outside the control of the organisation.

The organisation also reports and monitors measurements widely used in the public sector and which are appropriate to report for reasons of transparency.

The indicators shown in the table below will be monitored.

Annual reviews will report the actions that will be taken in the course of the year that are likely to impact on these areas.

Description	Monitor Indicators	Why this is important to service users	Why a target is not appropriate or measure is partly or wholly outside our control
Complaints – Number received	Number	As an indicator of customer satisfaction	We wish to expand the ways in which users can communicate issues and encourage feedback. Any target works against this aim
Road Traffic Collisions (RTCs) occurring within Joint Committee controlled highway.	<p>No of RTCs within Tamar Bridge/Saltash Tunnel tidal flow system.</p> <p>No of RTCs within Torpoint Ferry traffic control area.</p>	<p>We must provide a safe environment to users and our staff.</p> <p>RTCs impact on service delivery, frequently requiring at least partial closure of access to or from vessels and</p>	Many RTCs are due largely to driver error.

Incidents of recorded anti- social behaviour on Joint Committee property.	Reported incidents at each crossing	Users expect a safe and secure environment	Threatening, anti-social or illegal behaviour is the responsibility of the those performing the act(s).
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Tamar Bridge and Torpoint Ferry 2023-2024 Business Plan

Appendix C

CORNWALL COUNCIL

**TAMAR BRIDGE AND TORPOINT FERRY JOINT
COMMITTEE**

DRAFT MINUTES of a Meeting of the Tamar Bridge and Torpoint Ferry Joint Committee held in the Warspite Room, Plymouth City Council, Armada Way, Plymouth, PL1 3AA on Friday 2 December 2022 commencing at 10.00 am.

Present:- Councillors: Worth (Co-Chair) and Jonathan Drean (Co-Chair)
(None)

Mark Coker, Hendy, Long, Tivnan and Toms.

Also in attendance:- Councillors: Chaz Singh.

Apologies for absence:- Councillors: Donnithorne and Pat Patel.

DECLARATIONS OF INTEREST

(Agenda No. 2)

TBTF/15 There were no declarations of interest.

MINUTES OF THE MEETING HELD ON 30 SEPTEMBER 2022

(Agenda No. 3)

TBTF/16 It was moved by Councillor Drean, seconded by Councillor Long, and

RESOLVED That the Minutes of the meeting of the Tamar Bridge and Torpoint Ferry Joint Committee held on 30 September 2022 were correctly recorded and that they be signed by the Chairman, subject to the following amendment:- that Councillor Tivnan was also in attendance.

PUBLIC QUESTIONS

(Agenda No. 4)

TBTF/17 There were no questions from the Public.

GENERAL MANAGER'S QUARTERLY REPORT

(Agenda No. 5)

TBTF/18 The Committee considered the General Manager's Quarterly Report (previously circulated), presented by the General Manager.

In response to comments and questions from the Joint Committee Members, Officers advised that:

1. Members were advised that any costs cited in the contracts in the report were indexed to inflation and would increase over time.
2. Members were informed that replacing fibre glass toll booths would be quicker than refurbishment and although more expensive, the increased longevity of the replacement booths would offset the higher cost implications as well as causing less disruption to the bridge's day to day operations.
3. Clarification was sought on whether the decrease in bridge usage was reflected in a similar increase in usage of the A386, details of which would be sought by the General Manager from Devon County Council.
4. Concern was expressed that increasing toll rates would contribute to deprivation and would impact the local economy. Members were informed that any specific concerns should be given in writing to the Joint Chairs who would pass them on to our consultants at the next appropriate meeting.
5. Members expressed concern that there had been a lack of support for the Tamar Bridge from local Members of Parliament and Government. It was confirmed that Members and officers had written to local Members of Parliament seeking their support, with some responses offering support received. Officers had a meeting with the Department for Transport scheduled for the 13th of December 2022.

6. There was general support for an informal meeting between Members and officers to discuss terminology such as, 'the user pays principal'.

It was proposed by Councillor Drean, seconded by Councillor Worth, and

RESOLVED that: -

1. The report be noted;
2. an updated report be brought to the next meeting.

It was further moved and proposed by Councillor Long, seconded by Councillor Coker and

RESOLVED that:-

3. An informal meeting be arranged between Members and officers to discuss terminology such as, 'the user pays principle'.

BUDGET MONITORING 2022/23

(Agenda No. 6)

TBTF/19 The Committee considered the Budget Monitoring 2022/23 report (previously circulated by the Service Accountant.

In response to comments and questions from Joint Committee Members, Officers confirmed that:-

1. Clarification was sought and given that there was £11.48 million in estimated expenditure and £15.397 million in estimated income. This would give an estimated operating profit of £3.9 million, however CCMRP payments of £4.844 million would create an overall loss of £944,000. Members were informed that CCMRP payments were minimum revenue provision re-payments made to Cornwall Council for loans issued to allow for capital works which has been a contributing factor in the reduction of capital reserves.

It was proposed by Councillor Drean, seconded by Councillor Toms, and

RESOLVED that:-

That the revenue forecast and capital programme for 2022/23 be noted.

2023/24 REVENUE ESTIMATES AND CAPITAL PROGRAMME (AND BUSINESS PLAN) REPORT

(Agenda No. 7)

TBTF/20 The Committee considered the 2023-24 Revenue Estimates and Capital Programme report (previously circulated), presented by the Service Accountant.

In response to comments and questions from Joint Committee Members, Officers confirmed that:-

1. Members were informed that by the end of 2024/25 there would be a deficit which was unforeseen at the time of writing due to the adverse economic climate and rising inflation which remained ongoing.
2. There was general support for a workshop between officers and Members to discuss in detail the revenue estimates in the new year, followed by a subsequent meeting between National Highways, other partner agencies and Cornish Members of Parliament to discuss the need for support on the maintenance of the Tamar Crossing and the A38.
3. Members were informed that recruitment was still an issue and while some vacancies had been filled, there were still remaining vacancies. Agency staff were still being employed but kept to a minimum.
4. It was confirmed with Members the break even point for introducing LED street lighting on the Bridge was around 4-5 years.

It was moved by Councillor Coker, seconded by Councillor Long, and

RESOLVED that it be recommended to the Councils of the Parent authorities via the Cabinets of the Parent Authorities :-

1. That the 2023/24 revenue estimates and capital programme and the draft 2023/24 Business Plan, as set out in the appendices to this report, be approved;
2. the longer term forecast to 2026/27 is noted; and

It was further moved and proposed by Councillor Drean, seconded by Councillor Coker and

RESOLVED that:-

2. That it is recommended there is a Members workshop to look at future financing and financial reserves up to 2026/27 and beyond. Also to subsequently ask National Highways, other partner agencies and Cornish Members of Parliament to attend a meeting to discuss the need for support on the maintenance of the Tamar Crossing and the A38.

The meeting ended at 11.32 am