

## Appendix D

### Briefing Report -

### Tamar Bridge and Torpoint Ferry 2024/25 Revenue and Capital Programme

#### Introduction

- 1.12 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.
- 1.13 The existing governance requires that both parent authorities agree an annual Budget to facilitate the undertakings as part of the operational delivery remit.
- 1.14 The budget for 2024/25 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 in line with the 90% level incorporated in the financial model.
- 1.15 Appendix 4 of the TBTF Joint Committee (TBTF JC) Report, 2024/25 Revenue and Capital Programme contains the Annual Business Plan.

#### 2. Future Finance issues

- 2.1 Action has been proposed in terms of a proposed 15% toll revision, to ensure the identified deficit in last year's TBTF report to the Cabinet January 2023 has been addressed, as seen in the table below;

	2023/24	2024/25	2025/26	2026/27	2027/28
Forecast reserve balance at 31st March	(£1.677m)	(£1.490m)	(£2.236m)	(£2.730m)	(£3.104m)

- 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 A 15% toll increase was proposed by the TBTF JC in December 2023 and requires ratification by both Councils to progress the request to the SoS for Transport, if agreed by the SoS it will be implemented in November 2024.
- 2.4 The Joint Chairmen of TBTFJC and Portfolio Holders of both authorities continued to lobby government to;
- a) Have the ability to apply RPI locally, which will require Primary Legislation and is currently being progressed and

b) For long-term financial support for the Bridge, although this request has been without success to date.

c) Introduced Tamar 2050, which provides a more robust agenda to the future aspirations regarding the crossings and may have more traction regarding Government support.

2.5 Resolutions can be found in the draft minutes of the TBTF JC meeting on 12 January 2024 which are attached at Appendix C.