

HUMBER BRIDGE BOARD

14th October, 2009

PRESENT:-

Councillor D.W. Gemmell (in the Chair), Councillor K. Vickers (Vice Chair), Councillors K. Branson, S. Chaytor, P.M. Ellis, J.L. Fareham, M. Glew, A.K. Gosling, A.C. Gurevitch, A. Healand, R. Hudson, A.K. Ibson, D. McCobb (substituting for Councillor Bristow), B. Regan (substituting for Councillor Barkworth), A. Smith, M. Taylor (substituting for Councillor Burton), R.D. Tress (substituting for P. Davison), M. Uzzell, D. Wells, J. Wilkinson, and A. Williams.

IN ATTENDANCE:-

Mr. K. Ryley (Clerk to the Board), Mr. M. Hudson (Treasurer), Mr. P. Hill (General Manager and Bridgemaster), Mr. N. Marshall (Business Manager), Mrs S. Belfield and Miss L. Ellis (Legal and Democratic Services, Hull City Council).

APOLOGIES:-

Councillors D.G. Barkworth, M. Bristow, N. Burton, P. Davison, I.G. Fleetwood.

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3961		DECLARATIONS OF INTEREST – Councillor Tress, as a member of the East Riding of Yorkshire Council's Planning Committee, declared a personal and prejudicial interest in minute 3971, and left the room during consideration of this item.
3962		MINUTES – Agreed – That the minutes of the meetings of the Board held on 10 th June and 2 September, 2009, having been printed and circulated, be taken as read and correctly recorded and be signed by the Chairman.
3863		MINUTES OF THE AUDIT COMMITTEE – Agreed – That the minutes of the meeting of the Audit Committee held on 13 July, 2009, be received.
3864	17	MAJOR MAINTENANCE – The General Manager and Bridgemaster submitted, for information, a GANT chart which illustrated the timelines for delivery of major maintenance projects that significantly affect the budget of the Bridge Board, and identified prime elements of major schemes moving forward this year. He commented in detail

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		<p>regarding the projects and provided an update on the main elements and how this work fitted in with major projects.</p> <p>Agreed – That the report be noted.</p>
3965	18	<p>AUDIT COMMITTEE REVISED TERMS OF REFERENCE AND GOVERNANCE – The Treasurer submitted a report which considered revised proposals for the Audit Committee Terms of Reference (ToR) as requested following the first meeting of that Committee. The report addressed that action and also provided further information about governance and other matters, as requested at the Audit Committee meeting of 13 July, 2009.</p> <p>The Chairman of the Audit Committee referred to the discussions at the meeting on 13 July regarding the need to look also at the ToR for the Board's other committees to see whether there were any overlaps or potential gaps to cover and to put a full package to the Board.</p> <p>Agreed –</p> <p>(a) That the further information provided in this report, to address the request of the Audit Committee for greater understanding of the term "governance" and the wider regulatory environment, be noted. Based on that information, that revised Audit Committee Terms of Reference as set out in Appendix 1 of this report, be approved and adopted, and</p> <p>(b) that updated terms of reference be drawn up for the Board's three other standing committees, for consideration by members of the Board, and that the views of all of the Committees on these are sought, in particular in terms of good governance arrangements, before the Terms of Reference are presented to the Board for approval.</p>
3966	19	<p>BUDGET MONITORING 2009-2010 - The Treasurer submitted a report which informed members of the Board's spending to the end of August 2009 compared to the approved budget, and highlighted anticipated variations to budget for the full year with options for corrective action.</p>

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		<p>The budget for the Board for 2009-10 had been approved at the meeting of 11 February 2009 (minute 3916 refers). The report, at Table 1, summarised the latest forecast position and examined it in detail at Section 4. This identified a forecast deficit of £2,125,000.</p> <p>Deleted: An increase in tolls had been assumed during 2008/09.</p> <p>Agreed – That the anticipated deficit be funded from reserves.</p> <p>Deleted: .</p>
3967	20	<p>TREASURY POLICY STATEMENT AND STRATEGY – INVESTMENT OF SURPLUS FUNDS – The Treasurer referred to minute 3927 of the Board’s meeting held on 11 February 2009, when members had questioned whether the Humber Bridge Board should continue to invest surplus funds with financial institutions that continue to pay large bonuses to their employees. He submitted a briefing note setting out consideration on the matter and the overall conclusion following discussions with the Council’s Treasury Advisors and Brokers. The advice was to continue to utilise the current approved Investment Strategy, in order to maintain capital security, flexibility and liquidity, and achieve the best available return.</p> <p>Agreed – That the report be noted. The Treasurer to convey to the financial institutions that the Bridge Board currently uses and the Government Treasury, the concerns of the Board in this matter.</p>
3968		<p>EXCLUSION OF PRESS AND PUBLIC – Agreed – That in accordance with the provisions of the Humber Bridge Board Standing Orders 14 and 15, the public (including the Press) be excluded from the meeting for the following items of business, minutes 3969, 3970, and 3971, on the grounds that they involve the likely disclosure of exempt information (as defined in paragraphs 3 and 5, as appropriate, of Schedule 12A of the Local Government Act, 1972).</p>
3969	21	<p>APPOINTMENT OF CONSULTANCY SERVICES – TOLL SYSTEMS AND EQUIPMENT DEVELOPMENT – The General Manager and Bridgemaster referred to minute 3896 of the Board meeting held on 15 October, 2008, and submitted a report which sought the approval of the Board to appoint a specialist consultant to assist Board officers in developing and procuring replacement toll equipment at the</p>

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		Discussion took place around the need for a specialist consultant and the extra expenditure that would involve, and the scale of that investment in professional services against the likely scale and demands of the project.
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		At the request of a member the voting was recorded as follows:-
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		Councillors Branson, McCobb, Taylor, Tress, Gemmell, Gurevitch, Healand, Ibson, Vickers, Williams, Wells.
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		AGAINST
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		Councillors Regan, Chaytor, Ellis, Fareham, Glew, Gosling, Hudson, Smith, Wilkinson, M. Uzzell.
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		ABSTAIN
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		Agreed – That the General Manager and Bridgmaster be instructed to appoint ARUP Consultancy to provide the services described in the contract for Consultancy Services for Replacement Toll Collection Systems and Equipment at the Humber Bridge.
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		HUMBER BRIDGE TOLLS – THE FINANCIAL IMPLICATIONS AND OPTIONS ARISING FROM THE SECRETARY OF STATE’S DECISION NOT TO APPROVE THE PROPOSED TOLL INCREASE FOR 2008 – The Clerk referred to minute 3960 of the Board held on 2 September 2009, and submitted a report which provided updated information on the financial implications of the Secretary of State’s decision not to approve the Board’s application for a periodic, inflation linked toll increase for 2008, following the Public Inquiry held in March 2009, and the meeting held between Department of Transport officials and officers of the Board on 21 September 2009, and set out the options now available to the Board in respect of the resultant projected loss of income.
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Members would not agree to delegate authority to initiate a judicial review if needed, as recommended in the report at 2.2. Therefore, a special meeting of the Board was needed for this decision, when and if necessary.

The Clerk gave an oral update following the meeting between officials and officers of the Board and the Minister for Transport on 13 October, regarding the Board's funding position.

He also informed members that a further delegation comprising representatives of local authorities in the sub-region, Chamber of Commerce, Transport Commission for the region, and Yorkshire Forward, was to see the Minister on 26 October with proposals for a future decrease in, or removal of, tolls.

It was suggested that the outcome of those discussions be awaited before calling a special meeting of the Board to be held as soon as practicable after 26 October.

Agreed –

- (a) That the outcome of the meeting held with the Minister for Transport on 13 October 2009 be noted, and written confirmation of this be sought within the next two weeks;
- (b) that a special meeting of the Board be held within two weeks, when the Minister's written confirmation of the agreement is received, to decide whether to issue Judicial Review proceedings, to challenge the Minister's decision not to agree the recent application for an increase in toll fees, if the written response of the Minister following the meeting with Board representatives on 13 October is, in the opinion of Members, unsatisfactory in protecting the interests of the Board or is not received before the end of October 2009; that, in view of the further delegation discussions, the special meeting be after 26 October;
- (c) that the planned allocation of funding for essential maintenance work on the Bridge be confirmed, in accordance with the Board's main statutory obligation,

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		<p>so as to avoid the risk of increased maintenance costs in future years, and</p> <p>(d) that consideration of options 3, 5, 6 and 7 set out in the report be deferred and that option 8 be rejected as unviable.</p>
3971	23	<p>LAND TO THE NORTH OF THE HUMBER BRIDGE – OPTIONS FOR SALE OR DEVELOPMENT – Councillor Tress, as a member of the East Riding of Yorkshire Council’s Planning Committee, declared a personal and prejudicial interest in the matter below and left the room during consideration of this item.</p> <p>The Treasurer referred to minute 3951 and submitted a report which updated members as to the progress in respect of the tri partite agreement between the Board, Bridgeland Development Ltd, and Hesse Golf Club.</p> <p>Agreed - That the report be noted and the Board monitors and reviews progress of the Agreement.</p>

14.10.09