



Minute of Strathclyde Concessionary Travel Scheme Joint Committee

23 February 2018

held in 131 St Vincent Street, Glasgow

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Minute of the Strathclyde Concessionary Travel Scheme Joint Committee held in the Lewis Room, 131 St Vincent Street, Glasgow on 23 February 2018

Present Councillors Dr Martin Bartos (Chair), Graham Hardie, Alan Lafferty, Marie McNair, Jimmy Miller, Jim Roberts and David Shearer.

Attending Valerie Davidson, Treasurer/Secretary, Valerie A Bowen, Senior Committee Officer and Martin Breen, Planning and Projects Officer.

1. Apologies

Apologies were submitted from Councillors Malcolm Balfour, John Jamieson (substitute), Alan Moir, Cathy McEwan and Andy Steel (substitute).

2. Declaration of interest in terms of the Ethical Standards in Public Life etc (Scotland) Act 2000

The Joint Committee noted that there were no declarations of interest.

3. Minute of previous meeting

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The minute of the meeting of 6 October 2017 was submitted and approved as a correct record.

4. External Audit – Scott Moncrieff reports: External Audit Plan 2017/2018 and Interim Audit report for year ending 31 March 2018

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There were submitted:

- (1) Scott Moncrieff's External Audit Plan for 2017/2018 (issued) of January 2018, which summarised the work plan for their 2017/2018 external audit of both the Strathclyde Concessionary Travel Scheme Joint Committee (SCTSJC) and SPT, the core elements of which would include:
 - an audit of the 2017/2018 financial statements of both SPT and SCTSJC and related matters;
 - a review of arrangements for governance and transparency, financial management, financial sustainability and value for money; and
 - any other work requested by Audit Scotland; and
- (2) Scott Moncrieff's Interim Audit report (issued) for the year ending 31 March 2018 for both the Strathclyde Concessionary Travel Scheme Joint Committee and SPT. The report had concluded that, although no significant deficiencies in the adequacy or design of internal controls of key financial systems had been identified and the systems had been found to be well designed, one area with scope for improvement relating to Members' Register of Interests had been identified which, if addressed, would further strengthen the system of internal financial control.

After discussion and having heard Mrs Davidson in further amplification of the report and

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in answer to members' questions, the Joint Committee noted the report.

5. Monitoring and performance costs for 2017/2018 Quarters 1 to 3 and year end forecast

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There was submitted and noted a report (issued) of 9 February 2018 by the Treasurer/Secretary,

- (1) reminding members of the various changes which had been made to the Strathclyde Concessionary Travel Scheme (SCTS) to ensure the long term financial sustainability of the Scheme,
- (2) intimating
 - (a) that, as at the time of writing the report final Q3 figures had not been received from all operators, figures might be subject to change; and
 - (b) that complete year-end figures for 2017/2018 would be presented at the next meeting of the Joint Committee;
- (3) informing members
 - (a) that the large increase in patronage shown for Subway in 2017/2018 was due mainly as a result of the 6-week suspension of services that had occurred in Q2 of the previous year; and
 - (b) that the increase in Quarters 1 to 3, compared to the same period in 2016/2017, intimated that patronage levels would increase overall by 6% and result in a corresponding increase in expenditure of approximately 2%; and
- (4) advising members
 - (a) that although the SCTS fare increase applied in the first quarter of 2017 had helped manage Scheme costs, any future increases to standard fares on rail, Subway or ferry might result in increased reimbursement costs to the Scheme; and
 - (b) that officers would continue to consider ways in which the costs to the Scheme could be managed within budget projections.

6. Update on 2017/2018 scheme costs and proposed revenue budget for financial year 2018/2019

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There was submitted a report (issued) of 12 February 2018 by the Treasurer

- (1) reminding members of the various changes which had been made to the Strathclyde Concessionary Travel Scheme over the years to ensure the long term financial sustainability of the Scheme, and
- (2) appending
 - (a) the revenue monitoring report as at period 10 (ending 6 January 2018);

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- (b) a proposed revenue budget for 2018/2019 of £4.233m, funded by £4.089m local authority requisition and £0.143m of reserves, which reflected:-
- forecast patronage in line with scheme trends;
 - revised operator reimbursement levels, net of forecast fares increases based on 2017/2018 actuals and projections; and
 - a reduced requisition from local authorities; and
- (c) the local authority requisition for 2018/2019, split per local authority;
- (3) advising members that, although as at 31 March 2017 the scheme held reserves of £1.689m, based on the forecast outturn at period 10 there would be a reduction to reserves of £0.021m in 2017/2018, resulting in a revised balance of £1.668m;
- (4) intimating
- (a) that, as the scheme continued to experience financial pressures from the impact of funding pressures on the partner local authorities and from increased operator costs driven by patronage growth and operator fare increases, it was proposed that basic concessionary fares should be increased in 2018/2019 as detailed below:-

Service	2017/2018		2018/2019	
	Single	Return	Single	Return
Standard	£1.00	£1.40	£1.00	£1.50
Ferry over 10 nautical miles	£2.00	£2.80	£2.00	£2.90

- (b) that for rail journeys greater than 10 track miles, it was proposed the fare remained unchanged at half fare;
- (5) recommending that the Joint Committee
- (a) note the forecast outturn for 2017/2018; and
- (b) approve
- (i) the increase in concessionary fares for 2018/2019; and
- (ii) the proposed budget of £4.233m for financial year 2018/2019.

After discussion, the Joint Committee approved the recommendations at (5) above and noted that Mrs Davidson would circulate a briefing note to members.

7. Travel Card Unit Update Performance and Key Issues

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There was submitted and noted a report (issued) of 12 February 2018 by the Treasurer

- (1) informing members of the current progress and performance of SPT's Travel Card Unit;

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- (2) advising members that as at February 2018, there were 558,754 valid cards in circulation within the SCTS area which represented an overall increase of 3.9% in the preceding 12 months;
- (3) providing details of the number of incoming calls answered by the Unit for 2017/2018 to date (including comparison figures for previous years);
- (4) appending information detailing National\Entitlement Card cardholder numbers by type and by local authority; and
- (5) explaining that work to review working practices within the Travel Card Unit continued, with focus on efficiency of processes and relevance of reporting metrics and as organisations prepared for the introduction of GDPR regulations in May 2018, SPT was engaged with the National Entitlement Card Programme Office (NECPO) and local authority partners to ensure compliance.

After discussion and having heard Mrs Davidson in answer to members' questions, the Joint Committee noted the terms of the report.

8. Audit Scotland report: Transport Scotland's ferry services

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There was submitted and noted a report (issued) of 13 February 2018 by the Treasurer/Secretary

- (1) advising members that in October 2017, Audit Scotland had published a report entitled "Transport Scotland's ferry services";
- (2) outlining the key messages in the Audit Scotland report; and
- (3) listing the recommendations contained within the Audit Scotland report which were for Transport Scotland to action.