

AGENDA ITEM NO: 3

WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY

**AT A MEETING OF THE APPOINTED MEMBERS
HELD IN WELLINGTON HOUSE, LEEDS ON
WEDNESDAY 28 MAY 2008**

PRESENT: Councillor R Downes (Chair)

Councillors C Greaves and G Phelps

30. APOLOGIES FOR ABSENCE

RESOLVED - An apology for absence was received from Councillor M Lyons.

31. DECLARATIONS OF INTEREST

There were no personal or prejudicial interests declared by members at the meeting.

32. MINUTES

RESOLVED - That the minutes of the meeting held on 3 March 2008 be noted.

33. EXCLUSION OF THE PRESS AND PUBLIC

The Appointed Members considered a recommendation to exclude the press and public from Agenda Item 5, which contained exempt information as defined in paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Schedule 12A to the Local Government Act 1972.

It was recommended that, because disclosure of the reports might prejudice future negotiations, the public interest would be better served by maintaining the exemption and, therefore, that the press and public should be excluded.

RESOLVED - That, as disclosure could prejudice future negotiations, the press and public be now excluded from Agenda Item 5.

***34. RE-IMBURSEMENT FOR CONCESSIONARY TRAVEL**

The Appointed Members considered a report of the Passenger Transport Executive on discussions, which had been held with operators regarding reimbursement arrangements and the proposed 3 years agreement with the larger operators, Arriva, First, Stagecoach, Transdev Blazefield and Huddersfield Bus Company.

It was reported that the proposed agreement would commit Metro to total expenditure in the order of £140m over a three year period, provided that overall passenger volumes and operator market share by value of travel remained within pre-defined bands.

Members noted that:

- (i)** That the proposed arrangement would exclude Coastliner and Service 36.
- (ii)** That during the course of discussions the Stagecoach Huddersfield operations was purchased by Centre Bus Holdings who also had purchased Teamdeck (trading as K Line) and that it would, therefore, be necessary to hold discussions with the new operators and review the Stagecoach share.
- (iii)** That the Authority had the ability to amend the rail concessionary travel scheme, as it fell outside the agreement with bus operators.

The Appointed Members were also given assurances that any agreement would commit these operators not to appeal against Metro's published scheme unless there was a national change. Metro would make a commitment to republish the scheme after 3 years so that operators had not forgone their right to future appeal after the period of the agreement. In return Metro had agreed that they would not implement additional clawback arrangements over the 3 year period. The agreement would also define patronage and market share bands in order that the agreement was linked to passenger volumes overall (for total payments) and to the market share (for parity between operators).

Members were informed that Metro's independent advisor had confirmed that the proposed approach, including the value for money considerations, was fully justified in that it would reduce a number of significant risks to Metro including:

- Operator appeal and adverse determination
- Additional growth
- Steeper fare increases

RESOLVED - That approval be given for the Clerk to the Authority to conclude a negotiable agreement with the major operators on the basis, as detailed in the submitted report.