

Minute of Strathclyde Concessionary Travel Scheme Joint Committee

20 September 2019

held in 131 St Vincent Street, Glasgow

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Minute of the Strathclyde Concessionary Travel Scheme Joint Committee held in the Board Room, 131 St Vincent Street, Glasgow on 20 September 2019

Present Councillors Dr Martin Bartos (Chair), Malcolm Balfour, Ian Cochrane, Graham Hardie, Andy Steel (Substitute), Marie McNair, Jim Roberts, David Wilson, Alan Moir and Michael McPake.

Attending Neil Wylie, Director of Finance; Jim Griffin, Solicitor; Martin Breen, Planning and Projects Officer and Stuart Paul, Chief Accountant. Karen Jones of Scott Moncrieff also attended

1. Apologies

Apologies were submitted from Councillors Alan Lafferty and Cathy McEwan.

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

The minute of the meeting of 8 March 2019 was submitted and approved as an accurate record with no matters arising.

4. Annual Accounts 2018/19

There was submitted a report (issued) of 2 September 2019 by the Treasurer/Secretary, asking the committee to consider the audited annual accounts and approve them for signature no later than 30 September 2019.

After consideration and having heard Mr Paul in answer to members' questions and confirming that the accounts had been prepared timeously with no post audit adjustments, the Joint Committee approved the audited annual accounts for signature no later than 30 September 2019.

5. Performance and Reimbursement Results for 2018/19 Financial Year-end and Update on 2019/20 Quarter 1 Results

There was submitted a report (issued) of 11 September 2019 by the Treasurer/Secretary, providing members with an update on the Scheme's performance and reimbursement results for financial year 2018 / 2019 and an update on the first quarter's results for financial year 2019/20.

After discussion and hearing from Mr Breen in response to members' questions, the Joint Committee noted the contents of the report.

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6. Final Outturn for Financial Year 2018/19 and Revenue Monitoring Report as at 17 August 2019, Period 5

There was submitted a report (issued) of 28 August 2019 by the Treasurer advising members of the final outturn for the financial year 2018/19 and the expenditure incurred at the end of Period 5, including projected outturn at the end of the current financial year.

After discussion and hearing from Mr Paul in response to members' questions, the Joint Committee noted the terms of the report.

7. Review of Strathclyde Concessionary Travel Scheme

There was submitted and approved a report (issued) of 11 September 2019 by the Treasurer/Secretary providing members with an update on the review of the Scheme and recommending options for the committee's consideration to ensure the sustainability of the Scheme in future years.

The options included:

- (i) Do nothing;
- (ii) Obtain an increase in council funding;
- (iii) Amend the age eligibility criteria;
- (iv) Impose a cap on operator reimbursement;
- (v) Review the Scheme reimbursement / generation factor formula; or
- (vi) Ending the Scheme.

Following a presentation, the Joint Committee heard Mr Breen and Mr Paul explain further that:

- (a) the requisition from constituent councils is now insufficient to cover operator reimbursements; and
- (b) that it is estimated that there is a maximum of two years' reserves held.

Miss Jones of Scott Moncrieff, the Committee's appointed external auditor, explained that if matters were not resolved:

- (1) there will be a "going concern issue" recorded in next year's accounts;
- (2) auditors will be obliged to consider the financial viability of the Scheme to continue; and

After considerable discussion, the Joint Committee noted the Scheme viability concerns, agreed the need to change the concession scheme from April 2020 as part of the budget process, noted a 50 pence increase to the basic concession fare may be necessary at that point. However, this would provide only short-term assistance with finances and instructed officers to commence a detailed review of all aspects of the Scheme. The Joint Committee further expressed a wish to be updated on this matter by briefing and/or a special meeting in December 2019, in advance of their February 2020 meeting. With agreement of the Joint Committee, the Chair undertook to write to all participating Council leaders and appropriate members of the Scottish Government to advise them of the situation.
