Transport



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c/o The Chief Executive Hull City Council The Guildhall Alfred Gelder Street HULL HU1 2AA

29 February 2012

Dear Colleagues

HUMBER BRIDGE REVIEW – ACCEPTANCE AND TERMS RELATING TO GOVERNMENT OFFER

Thank you for your letter of 26 February. We are very pleased to receive your positive response to the Government's offer to write down the bridge debt by £150 million and the conditions attached to it.

In particular, we are pleased to see that all four Humber local authorities are offering to take on local responsibility for the bridge on equal terms, and that the Humber Local Enterprise Partnership will be closely and actively involved in the future governance of the bridge.

We trust that this bodes well for the future joint working and co-operation between all parties at the local level that will be necessary for the good management of the bridge.

We are grateful for the information you provided on your plans for the bridge tolls, which meet the Government's objectives, and with which we are content.

Thank you also for the information you provided on the private Bill to update the powers of the Bridge Board, which you would take steps to promote within the next six months. We wish to indicate in-principle support now for a Bill covering each of the objectives set out in your letter, subject of course to scrutiny of the detail of the proposed new powers in due course.

We would also wish to scrutinise the implied clauses to amend or revoke the existing powers of the Bridge Board to levy the local authorities before Government support for any such changes could be offered.

In the document attached to your letter *Humber Bridge Review* – *Acceptance and Terms Relating to Government Offer* you set out five conditions for the four Councils agreeing to take a 25% share of any deficit arising in any year, four of which related to the Department for Transport. We are content with these conditions.

We consider that the debt write-down of £150m, and the offer of Government support for a private Bill to empower a reformed Board with wide freedom of action to respond to circumstances, will between them create a long term sustainable settlement, that is, a settlement in which the Bridge Board/local authorities will not be returning to Government for any further assistance (excluding in the event of a catastrophe).

We will now to prepare to make and lay the necessary statutory instrument to effect the debt write down. The Order needs to be laid in Parliament for 21 days before coming into effect, which we intend to be on 31 March. We then look forward to the reduction in the bridge tolls taking place as soon as possible thereafter.



JUSTINE GREENING
Secretary of State for Transport



NORMAN BAKER
Parliamentary Under-Secretary
of State for Transport



CHLOE SMITH Economic Secretary to the Treasury

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