

WYRE FOREST DISTRICT COUNCIL

CABINET
27th SEPTEMBER 2007

New National Concessionary Bus Travel Scheme

COMMUNITY STRATEGY THEME:	Improving Health and Wellbeing
CORPORATE PLAN THEME:	Delivering Quality Service
KEY PRIORITY:	Improving Customer Services
STRATEGY:	Concessionary Travel
CABINET MEMBER:	Councillor John Holden
RESPONSIBLE OFFICER:	Head of Financial Services
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AN OPEN ITEM	

1. PURPOSE OF REPORT

- 1.1 To advise Members of the new National Concessionary Bus Travel Scheme and to agree criteria for free bus travel above the statutory minimum.

2. RECOMMENDATION

The Cabinet is asked to RECOMMEND to Council :-

- 2.1 Following the Concessionary Bus Travel Bill receiving Royal Assent on 19th July 2007, to note that a new national Concessionary Bus Travel Scheme will replace the current Wyre Forest Concessionary Travel Scheme with effect from 1st April 2008.
- 2.2 The new statutory scheme be enhanced to include :-
- Free Travel at any time for journeys commencing within Worcestershire.
 - Companion passes for qualifying disabled persons for journeys commencing Worcestershire.
- 2.3 Existing local arrangements in respect of Transport Tokens and Dial-a-Ride continue.
- 2.4 Note that procurement and issue of the new National Bus Pass (smartcards) will be through a National Framework Agreement awarded following a Department of Transport bidding process. Worcestershire County Council will co-ordinate procurement on behalf of the Worcestershire Concessionary Travel Partnership.

3. BACKGROUND

Current Scheme

- 3.1 The current statutory scheme enables people over 60, and qualifying disabled persons, to have free bus travel within the District after 9.30am until 11.00pm Monday to Friday and at any time on Weekends/Bank Holidays.
- 3.2 In addition, through the Worcestershire Concessionary Travel Partnership (County/6 Districts), this Council approved the following discretionary additional services :-
- Free travel at any time;
 - Companion passes for the severely disabled;
 - Cross-boundary travel within Worcestershire;
 - Cross-boundary travel outside Worcestershire providing journey starts or ends in the County area;
 - Separate scheme to cover travel on Dial-a-Ride;
 - Transport Tokens for over 80's and severely disabled.

New Scheme

- 3.3 The Concessionary Bus Travel Act 2007 amends existing legislation and will replace local schemes with a new National scheme, with effect from 1st April 2008, that will enable over 60's and qualifying disabled persons to have free bus travel throughout England after 9.30am until 11.00pm Monday to Friday and at any time on Weekends/Bank Holidays. Free travel in Scotland, Wales and Northern Ireland, who have their own schemes is currently excluded.
- 3.4 Council's, at their own expense, can continue to operate discretionary services, some of which are identified in paragraph 3.2 above.
- 3.5 The new scheme in two-tier authorities is initially to be administered by District Councils. However, the Department of Transport have indicated that eventually they would like the scheme to be administered at county level, possibly in 2010. Practical issues and complications surrounding the Revenue Support Grant prevent this from happening from day one.
- 3.6 The Council will be required to issue a new National Concessionary Pass, the design of which will allow for the logo of the County and District Council. The pass will be an ITSO compliant Smartcard, although initially it will only be used non electronically as current regulations will not require bus operators to install computerised ticket machines.
- 3.7 The Department of Transport is currently implementing a National Procurement Framework Agreement to assist with the procurement and distribution of smartcards. Locally the Worcestershire Concessionary Travel Partnership have

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agreed to have joint procurement through the County Council, to benefit from economies of scale that will be contained within the framework agreement.

- 3.8 The new bus pass will be issued directly by suppliers engaged through the National Framework Agreement. As a consequence, there will be no immediate issue of passes over the counter at the Hubs. Every endeavour will be made to issue new passes as quickly as possible. Persons approaching 60 years of age will be encouraged to apply in advance of their birthdays.
- 3.9 There will be no nationally agreed reimbursement scheme for bus operators. Therefore, reimbursement levels will continue to be negotiated locally through the Worcestershire Concessionary Travel Partnership's Consultant.
- 3.10 There is a major change in relation to individual Districts reimbursement to bus operators. Currently we pay for usage of Wyre Forest passes. In future payment will be based on 'pay on boarding' i.e. each Council will be responsible for the cost of concessionary travel for pass holders boarding buses within their District, no matter which Council has issued the pass. It is difficult at this stage to predict what impact this change will have on the Council budget.

Progress towards New Scheme

- 3.11 The Council's Concessionary Travel IT system has been updated and reformatted to meet the requirement of the National Framework Agreement for procurement of passes.
- 3.12 All 15,000 pass holders have been requested (two letters plus press release) to call in and have their photograph taken or send in a passport type photograph, to be incorporated within our IT database. To date a large percentage of our pass holders (currently in excess of 12,000) have co-operated and had their photograph taken and as a consequence will receive their new national Pass automatically. However, there will always be a small number who will have to re-apply next April.
- 3.13 Procurement of the new pass will commence via the County Partnership as soon as the National Framework is in place.
- 3.14 New Passes will be distributed directly by the suppliers during March 2008 to be available for use from 1st April 2008.

4. KEY ISSUES

- 4.1 There is still a requirement under the new legislation for Council's to publish their new schemes by 30th November 2007, in order to give Bus Operators four months' notice of the proposed scheme.
- 4.2 It is therefore necessary for Council to consider and approve any discretionary additional benefits to the basic statutory scheme before the end of November 2007.

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- 4.3 The Worcestershire Concessionary Travel Partnership has agreed to recommend to all Districts that the following discretionary services continue:-
- Free travel at any time for journeys commencing within Worcestershire;
 - Companion Passes for the severely disabled for journeys commencing within Worcestershire.
- 4.4 Continuation of the above discretionary services would ensure that Wyre Forest's bus pass holders would not have a reduction in local benefits brought about by the introduction of the new scheme, and would gain by being able to use their pass throughout England.
- 4.5 Existing arrangements in respect of the issue of Transport Tokens and subsidised use of Dial-a-Ride would continue as at present.

5. FINANCIAL IMPLICATIONS

- 5.1 The impact on the council's financial Strategy will be carefully considered as part of the budget process. However, the full picture is unlikely to unravel until at least 12 months after the introduction of the new scheme to enable analysis of usage and journeys in and out of the District. It is difficult at this stage to estimate what the impact will be on the Council's current projected estimate for payment to Bus Operators of £800,000 p.a.
- 5.2 The Government are grant aiding the production of the new smartcards to the extent of £4.00 per card. How much of our cost this will cover will be calculated following publication of procurement costs contained within the National Framework Agreement, and will be considered as part of the revised budget process.
- 5.3 The Government have made available £212 million nationally to cover the additional costs of the new scheme. Distribution and allocation is still to be agreed. Notification is likely to be part of the Finance Settlement due to be announced early December.
- 5.4 The additional cost to the Council of approving discretionary services is difficult to assess at this stage, however, the additional cost is likely to be minimal as a percentage of the overall cost.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 These are contained within the Concessionary Travel Act 2007 and subsequent Regulations due to be published in the Autumn.

7. RISK MANAGEMENT

There are three main areas of concern :-

- 7.1 Will the National Framework Agreement suppliers be able to produce and distribute passes for the whole of England in time for 1st April 2008 start. The Department of Transport have contingency plans in place to deal with this problem, mainly centring on the continual use of existing passes.
- 7.2 Will the additional costs of the new scheme be covered by additional Government Grant. There are bound to be winners and losers amongst Council's and only time will tell which category Wyre Forest falls into. Careful monitoring will be necessary with the Council taking appropriate action.
- 7.3 Eventual transfer of the administration of the scheme to the County could have staffing and a financial impact (unravelling of the Concessionary Travel element contained within our Formula Grant). This will have to be considered carefully when the Department of Transport decide to make changes.

8 CONCLUSION

- 8.1 The new National Concessionary Bus Travel Scheme is to be welcomed in providing free travel throughout England. This will build upon the success of our existing scheme.

Experience demonstrates that users, despite the lack of bus services in some areas, place a great personal value on the free scheme which is illustrated by the number of compliments the Council receives.

9. CONSULTEES

- 9.1 Worcestershire Concessionary Travel Partnership.
Cabinet.
CMT.

10. BACKGROUND PAPERS

- 10.1 Concessionary Bus Travel Act 2007.
- 10.2 Numerous letters and communications from Department of Transport.