

## CONCESSIONARY FARES

**EXECUTIVE MEMBER:** Cllr Elaine Woodburn

**LEAD OFFICER:** Sue Borwick

**REPORT AUTHOR:** Sue Borwick

**Summary:** To advise members of the change in the statutory concessionary travel scheme and to recommend the scheme to be in place from 1<sup>st</sup> April 2006.

<b>Recommendation:</b>	a) That the current scheme in place in relation to bus passes is extended to free travel 24/7 and that the local scheme is continued subject to confirmation of additional Government funding. b) To pursue the possibility of issuing railcards as a further option for eligible persons.
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### **Impact on delivering the Corporate Plan:**

**Impact on other statutory objectives (e.g. crime & disorder, LA21):** New Government scheme for free concessionary travel for people aged over 60, and disabled people.

**Financial and human resource implications:** The additional cost of moving from the current half-fare county-wide travel scheme, to free county-wide travel, is estimated to be around £290,000. Current indications are that this additional cost will be met by additional grant funding.

**Project & Risk Management:** If a different scheme is to be recommended, then this must be finalised and published four months before implementation, ie 1<sup>st</sup> December 2005.

### **Key Decision Status**

- **Financial:** N/A  
- **Ward:** N/A

**Other Ward Implications:** None

## **1. CURRENT SCHEME**

- 1.1 Currently, the Council has two concessionary travel schemes. The first is the present statutory scheme of half price bus travel (bus pass), but this is extended to County wide travel, rather than District only travel. The Council approved that the scheme would be extended to cover cross boundaries in line with all but one of the other districts in Cumbria. This has allowed us to get a bigger generation factor built into the reimbursement for bus operators ( which in effect is a discount.) The second scheme currently offered, is the issue of travel vouchers which can be exchanged for taxi rides, coach travel and rail travel with registered operators.

## **2 NEW STATUTORY SCHEME**

- 2.1 In his budget statement in March 2005, the Chancellor of the Exchequer announced that, "A free concessionary bus fare scheme for people aged over 60, and disabled people, would be introduced with effect from 1 April 2006. This would be funded by an extra £350m of money allocated to district councils for this purpose. The expectation is that this change will be administered and operated by district councils currently operating the statutory scheme".
- 2.2 The details of the new statutory bus travel scheme, operational from April 2006, have to be finalised by this Council with the bus operators by 1<sup>st</sup> December. The statutory scheme will entitle eligible people to free off-peak travel within the District. (The proposal at 3.1 goes beyond this).

## **3 PROPOSED SCHEME**

- 3.1 It is recommended that the Council, subject to funding being in place, continues its partnership with neighbouring authorities and introduces a county wide free bus travel scheme for eligible people all day and every day. This is beyond the statutory requirement of free off-peak travel within the district boundaries.
- 3.2 The Cumbria Wide Concessionary Group in partnership with a number of other North West authorities commissioned a piece of work to estimate the additional cost of implementing such a scheme. The results show that the likely impact of such a move will be that the cost of the free bus travel scheme will be in the region of £290,000. This is an estimated cost based on research including evidence from the Welsh experience of introducing such a scheme. The current cost of the bus scheme is approx £120,000. In effect, the impact is predicted to increase concessionary journeys by 100,000. Current take-up rates of the bus pass in Copeland are just 18% of the 17,310 eligible people.
- 3.3 While the exact amount of additional resources from central government remain unclear, the fairly detailed research, which has been undertaken, predicts that the additional resources WILL be sufficient to meet the additional cost. If this proves not to be the case, then clearly the whole proposal will require to be reviewed.
- 3.4 As mentioned above the research was conducted jointly with all North West local authorities. Therefore, all of the Cumbrian authorities are facing a similar timescale to this Council. For this reason, it cannot be confirmed at this stage whether all Cumbrian

authorities will adopt the same stance and offer free county-wide travel. The feeling from joint meetings, however, is that this is likely (with the possible exception of Barrow, who, as Members might recall, restricted the current scheme to district-wide travel a few years ago). A scheme other than a county-wide one, becomes very difficult to administer and the bus operators will also not be able to give us the generation factors that we would have under a county wide scheme. The County Council is currently negotiating with the major bus operators to agree a common generation factor.

- 3.5 Copeland, along with the other districts in Cumbria entered into the NOW card project to provide SMARTCARDS for use as bus passes. To date these are not e- enabled and are just being used as a manual pass. It is anticipated that the bus operators will have all the technology in place to “swipe” the cards and provide accurate rider ship information for reimbursement purposes. It is hoped that the major operators will be live by April 06, with the smaller operators live by the end of Summer 06.
- 3.6. There is an additional option that could be considered, and this is the provision of a railcard for those eligible residents. If the Council can partner with a neighbouring authority to buy railcards in sufficient bulk, then the costs may be reduced to £15 per card , and they would then be in line with the voucher scheme. Either way the vouchers will continue to be accepted by the rail operators.
- 3.7 OSC Social Well Being meets on the 3 November and will review the current scheme. Their proposed recommendations will be circulated as appendix A marked “To Follow”

#### **4 CONCLUSIONS**

- 4.1 In view of the likelihood that the additional funding available will be adequate to fund the additional reimbursement costs, it is recommended that the scope of the scheme be maintained on the current basis, with free travel replacing the current half fare scheme.
- 4.2 It is worth noting, that should any revisions the scope of the scheme be recommended, then a revised scheme must be finalised and published four months before implementation, ie 1<sup>st</sup> December 2005 for 1<sup>st</sup> April 2006 start date.
- 4.3 It is also recommended that further work is undertaken to look at the potential of purchasing rail card to issue as an alternative to travel vouchers, so long as the cost can be maintained at £15.

#### **List of Appendices**

Appendix A – OSC Social Well Being recommendations (meeting of 3 November 2005) To Follow  
Appendix B - <Appendix Title>

#### **List of Background Documents:**

#### **List of Consultees:**

Corporate Team

