

Concessionary Fares

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Information Systems
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Recommendations:

1. That Members note the current (2009/10) concessionary travel arrangements.
2. That Members note the projected underspend against budget of £57,000 against the 2009/10 Net Revenue Budget of £531,000. This has been reported to Executive in the quarterly monitoring reports.
3. That Members note the DfT consultation currently underway which indicates a reduction of £110,000 (around 50%) of the special grant the Council receives to support the statutory concessionary fare scheme.
4. That in considering the Concessionary Fares Scheme for 2010/11, the Committee considers the current scheme and the options summarised in Table 1 (para 3.15) and in so doing, supports the recommendation of the Head of Finance and MIS to Resources Planning Working Group (as they consider the Council's budget proposal for 2010/11) :-
 - a. not extend the current scheme in the light of budgetary constraints.
 - b. consider the withdrawal of the discretionary concession in respect of peak hours bus travel for 2010/11.This would result in a reduced cost pressure of £80,000 for the Council to find in funding the 2001/11 budget proposal.

1. BACKGROUND

- 1.1 Members will be aware that, with effect from 1 April 2008, the mandatory concessionary travel scheme was extended to allow eligible persons to travel anywhere in the country at off peak times.
- 1.2 Members approved the extension of the mandatory scheme for 2008/09 and 2009/10, to allow eligible Copeland residents to also travel during peak times within Cumbria, and to include companions of the severely disabled.

- 1.3** Presently, Cumbrian authorities the exception of South Lakeland and Carlisle City who have limited the peak travel arrangements, provide full peak time travel, with. All authorities within Cumbria provide travel for companions, with the exception of Carlisle City.
- 1.4** As part of the rural proofing agenda, Members also approved two discretionary concessionary travel schemes, namely vouchers with a reimbursement value of £18, or a Rail Card (estimate of £22.10 cost per card for budget planning purposes), as alternatives to the mandatory scheme. Allerdale are currently the only other authority in Cumbria to offer two discretionary options.
- 1.5** Copeland Borough Council is a member of the County wide working group involving the County Council and Cumbrian Districts. This was initially set up in 2005 with the purpose of reviewing cross boundary issues within Cumbria, and as a vehicle in liaising and negotiating with NoWcard bus pass bureau and bus operators.
- 1.6** Authorities within Cumbria offer a variety of other discretionary options to their eligible users.
- 1.7** Copeland, based on latest records, has 17,000 eligible users of the concessionary travel scheme (approximately 77% have taken up this scheme).
- 1.8** Government recognised that the costs of extending the mandatory scheme to a national level would impact on the financial resources of the Concessionary Travel Authorities (CTA's), and, in the case of Copeland, awarded grants of £208k for 2008/09 and £213k in 2009/10 to assist in its introduction. A grant of £218k for 2010/11 was originally agreed but a consultation document was issued on 4th November 2009 by the Department of Transport seeks to redistribute the grant in 2010/11. The consultation period ends on 30th December 2009. It is unlikely we will hear the results of the consultation before February.
- 1.9** If implemented, Copeland's special grant will reduce to £110k. This potential reduction in grant was reported to Resources Planning Working Group in its meeting of 19th November 2009. The Cumbria Concessionary Fares Group will be working on a joint response to the DfT. However, RPWG expressed its dissatisfaction with the proposed re-distribution of the grant and the communication of this part way through a three-year Comprehensive Spending Review cycle. It is difficult to prepare budgets when key assumptions change. This echoes the LGA's response which has been to urge the DfT to allocate additional grant to those affected Councils, rather than re-allocating an existing pot.

2. CURRENT SITUATION

Budgetary

- 2.1** The 2009/10 budget is based on the new mandatory scheme arrangements and the estimated cost of the additional voucher and rail card discretionary schemes. The Council has no option but to fund the statutory (off peak) bus concession but may choose to offer no further concessionary travel schemes
- 2.2** Because of the major changes to the mandatory scheme from 1st April 2008 in terms of eligibility and re-imbursement, and the limited usage information available, budgetary implications were very difficult to estimate when the budgets for 2008/09 and subsequently 2009/10 were determined.
- 2.3** The 2009/10 budget was based on an average cost of £78 per eligible user for the mandatory scheme, and, for those choosing one of the alternative discretionary schemes, a cost to Copeland of £18 for each railcard issued, and a maximum vouchers re-imbursement value of £18. The average cost of £78 was based on actual usage in 2008/09 plus an increase factor based on the expected increase in bus fares.
- 2.4** Monitoring to date, based on information supplied by NoWcard for the 6 month period 1st April to 4th October 2009, and our own records on the discretionary scheme, indicate a total estimated underspend of £57k by financial year end, against a net budget of £531k.(10.7%). The 2009/10 budget assumes total expenditure of £743,915, offset by the current special grant of £213,000, resulting in a net budget of £530,915. The underspending forecast has been reported to Executive in the quarterly monitoring reports and is helping the Council manage overspendings elsewhere.

Operational

- 2.7** The mandatory scheme is currently showing, for the six month period to 4th October 2008, a re-imbursement cost of £32 per eligible user, estimated to increase to £65 by financial year end. This is £13 less than the budgeted sum of £78 per eligible user. This is offset by an increase in eligible users of 1,200.
- 2.8** This indicates that the number of bus rides being taken is less than was originally assumed when the budget was prepared. It would be speculative to determine the reasons for this, but if it relates to exceptional items then you would expect take up, and therefore, cost, in 2010/11 to be greater.

- 2.9** With regard to the two alternative discretionary schemes, estimated usage of rail cards to financial year end is in line with budget (1,700 no). However the purchase cost has increased to £20.40 for each card issued. Vouchers are estimated at 2,500, which is 500 less than budgeted figures, as the budget was based on actual usage in 2008/09.
- 2.10** Cost of administering the scheme for the full financial year is estimated at £17.5k. This includes the cost of advertisements, card production, the NoWcard bureau handling fee, voucher printing and postage and employment of temporary staff between December and March.
- 2.11** Currently we recover some of these administration costs by charging users £5 for the replacement of lost cards. An internal audit review of concessionary fares administration this year noted that the process of collecting the charge is very inconvenient and costly for the user and the income generated for the Council is negligible at around £500 per annum. Therefore the charge of £5 for the issue of a replacement card will be suspended but the renewal of cards will continue to be monitored. This, in the Head of Finance's opinion, represents a sensible proportionate response to the matter.
- 2.12** Appendix B, C and D set out the applications received to 30th June 2009 in respect of bus passes, railcards and vouchers by post-code area and shows the spread of take-up throughout the Borough both in this year and previous years. Members will remember this analysis was discussed verbally at the previous meeting of the Committee.

3 OPTIONS AVAILABLE FOR 2010/11

- 3.1** The current scheme was agreed after much debate, as Members of the OSC considered carefully the balance between costs, users needs and community impact, particularly rural proofing. The proposal to reduce the special grant presents a particular challenge to the Council, as the discretionary scheme (not funded by the special grant) and therefore, a potential option to address the funding shortfall, provides **some** mitigation in terms of limiting the cost of the statutory scheme. Resources Planning Working Group debated the discretionary scheme at its meeting of 19th November 2009 and 25th November 2009 and the views of OSC today are sought to feed into the budget discussions. RPWG will need to prepare a draft budget for Executive to consider at its special meeting in February, prior to Council considering the Council's budget at its meeting on 2nd March.

- 3.2** Appendix A sets out the options for 2010/11 ranging from the current arrangements through to offering eligible users an alternative of £30 worth of vouchers.
- 3.3** The cost to Copeland Borough Council of offering both the voucher and railcard schemes is more cost effective in that it limits costs to a maximum of £18 in vouchers, and £22.10 currently for each rail card issued.

In addition, Copeland has control whereas the cost of the mandatory scheme is very much dependant on usage (number of times eligible users board a bus in Copeland area), i.e. demand led.

- 3.4** Whilst it would be beneficial from a financial viewpoint for Copeland to have more eligible users on the discretionary schemes, the package to the eligible user has to be beneficial for them to choose an alternative to the mandatory scheme.
- 3.5** Members approved an extension to the 2009/10 mandatory bus pass scheme to include peak travel within Cumbria for eligible users.

Based on actual costs for the 6 month period 1st April to 4th October 2009, the extension of the mandatory scheme to include peak travel is estimated to cost in the region of £61k per annum.

Members may wish to consider the continuation of this extension to include peak travel for 2010/11. Savings cannot be guaranteed from the withdrawal of this extension as users may simply delay their journey time until off peak. If eligible users delayed 50% of the current peak travel to travel off peak, then a saving of approximately £30k could materialise. RPWG considered that the ending of this element of the discretionary scheme could yield some budget savings – and more specifically, could indicate the likelihood of potential ‘switching’ as we have discussed before. This is set out as Option 1(a) in Table 1, page 8.

All options shown within Appendix A, with the exception of option 8, include the continuation of peak travel arrangements.

- 3.6** A number of alternatives, showing the 2010/11 estimated usage and budgetary financial implications, are set out in Appendix A ranging from the current arrangements, through to offering £30 of vouchers (an increase of £12). It is important to remind OSC that any additional budgetary increase would in all probability, be found from reductions elsewhere in the Council’s revenue budget. In the current economic climate, we are not expecting Revenue Support Grant to be any different to that provisionally indicated for 2010/11, and therefore, pressures will

have to be funded from within existing budgets. This is a question, therefore, of balancing competing budgetary pressures and demands,

- 3.7 Option 1** Based on the available information to date, it is estimated that to offer the continuation of the existing scheme will cost the authority £641k in 2010/11, and would be in excess of the Councils approved budget for 2009/10 by £110k. This would require a budgetary growth bid for 2010/11.
- 3.8 Option 2** If the existing scheme was continued and the number of users for each available option increased by 5% it is estimated that the cost would be £676k in 2010/11 and would be in excess of the Councils approved budget for 2009/10 by £145K. This would require a budgetary growth bid for 2010/11.
- 3.9 Option 3.** If all discretionary schemes were withdrawn, with the exception of the NoWcard peak travel, then approximately 4,200 extra users would be entitled to a NoWcard. As these people do not currently choose a bus pass it is assumed they are probably not regular travellers on the bus services. It has been assumed that each transferring user would use the NoWcard at only half the average level of £68.

At this level of assumed usage the full cost would be £696k and in excess of the Councils approved budget for 2009/10 by £165k. This would require a budgetary growth bid for 2010/11.

- 3.10 Option 4** The mandatory scheme at an estimated cost of £68 per card holder for 2010/11 is significantly more expensive for the Council than the alternative discretionary schemes.

If the value of the vouchers was increased to £30 some current NoWcard users *may* be encouraged to change to one of the alternatives. These would probably be users who were not regular travellers on the bus services.

Indeed the evidence from the 2008/09 year is that increasing the value of the vouchers by £3 resulted in no increase in the number of vouchers applied for and issued.

Assuming that the users who transferred used the NoWcard at half the average cost it would be necessary for 8,243 or 90% of the current 9,200 NoWcard users to transfer to obtain a breakeven position with no financial impact to the Council.

If only 300 users transferred the total cost would be £672k and in excess of the Councils approved budget for 2009/10 by £141k. This would require a budgetary growth bid for 2010/11.

3.11 Option 5 The significant risk in implementing Option 4 is that no users transfer from the mandatory scheme and new users are attracted to the voucher scheme. If 150 new users took up the vouchers the total cost to the Council would be £678k and in excess of the Councils approved budget for 2009/10 by £147k. This would require a budgetary growth bid for 2010/11.

3.12 Option 6 Substitution of the Rail Card with vouchers would standardise the value of the discretionary scheme to £18 i.e. offering £18 of vouchers with which railcards could be purchased by the user.

If all 1,700 users transferred to vouchers, and used this to put towards the cost of buying a Rail Card, the total cost would be £635k and in excess of the Councils approved budget for 2009/10 by £104k. This would require a budgetary growth bid for 2010/11.

3.13 Option 7 The significant risk in implementing Option 6 is that some users transfer to the mandatory scheme. The railcard estimated cost of £22.10 by comparison to the vouchers value of £18 is more expensive, but RWPG at its meeting of 25th November perceived this to be reasonable, as it would probably minimise switching of current railcard users to the mandatory scheme.

If 700 users transferred to the mandatory scheme at half the average level of £68 the total cost to the Council would be £645k and in excess of the Councils approved budget for 2009/10 by £115k. This would require a budgetary growth bid for 2010/11.

3.14 Option 8 If the Rail card and peak travel options were both withdrawn and Rail card users were offered vouchers with which they could purchase the rail card, we could again, make assumptions as to possible user behaviour. Some peak travel would simply be delayed until off peak times and some peak travel may not happen at all.

If half the 1,700 Rail card users transferred to vouchers, half transferred to NoWcards, at half the current average usage, and half of the peak travel was delayed until off peak then the total cost to the Council would be £613k and in excess of the Councils approved budget for 2009/10 by £82k. This would require a budgetary growth bid for 2010/11.

3.15 The cost of administration of the NoWcard service is expected to rise by a minimum of £15k in 2010/11. A tendering exercise is currently being undertaken to replace the main supplier who has withdrawn from the existing contract. The main reason for the withdrawal was the failure to make a profit on the existing terms so it is certain that the costs will

increase significantly. This is an unavoidable cost associated with the statutory scheme and the actual cost will be clarified in the later stages of the budget preparation process.

Table 1 – Possible Options 2010/11

OPTION	Additional cost if grant reduced £000	Additional cost (+) or saving (-) if special grant remains £000
1) Current Schemes continued	110	2
1a) Current Scheme except for peak travel bus concession removed	80	(28)
2) Current Schemes plus 5% new users	145	37
3) NoWcard only available	165	57
4) Vouchers increased to £30 no overall increase in users	141	33
5) Vouchers increased to £30 150 new users	147	39
6) Rail cards withdrawn and substituted for vouchers and all transfer to vouchers (which could contribute to a rail card)	104	(4)
7) Rail cards withdrawn and users substitution split between vouchers and NoWcards	115	7
8) Rail cards substituted for cash limited vouchers to contribute towards a rail card and Peak travel concession withdrawn	82	(26)

4. CONCLUSION

4.1 Based on latest estimates, of the 8 options set out in Appendix A, none are affordable, compared to the existing approved 2009/10 budget, as a result of the proposed decrease in special grant. This is summarised in table 1 above. All the Options would increase the cost to the Council based on the 2009/10 approved budget, and therefore require a growth bid for 2010/11 budgetary purposes

4.2 As previously indicated, these figures are very much estimates and not projections, as they assume various (simple) scenarios of user behaviour. Options 3, 4, 5, 6 and 8 make some fundamental assumptions about the number of users who would change their choice of concessionary scheme if the value of the vouchers was increased or the Rail Card was withdrawn and substituted for vouchers. There is no data available to evidence these assumptions and the end cost could therefore, be quite different if the users did not, in fact, change their behaviour as a result of the changes, and new users were attracted to the scheme.

This budget is demand driven and forecasting customer behaviour is not straightforward.

- 4.3** As Head of Finance, I am (naturally) reluctant to recommend any scheme which presents additional cost pressures to the Council, but the Council's discretionary concessionary travel scheme provides both an improved service choice to vulnerable members of the community and some risk mitigation in terms of service costs.
- 4.5** Therefore, I would ask the Committee to consider this paper carefully, and recommend to RPWG, as a minimum, no extension to the current scheme, in the light of budgetary constraints and the removal of the peak travel discretion (and accepting the risk of some substitution) in respect of bus travel. At this stage, it is estimated that this would reduce the budget pressure for concessionary fares by £30,000. This would result in a net cost pressure to the Council of £80,000 in relation to the current base budget (assuming no further increase in take-up overall) i.e. Option 1a of Table 1.
- 4.6** OSC's views are sought and I welcome the opportunity to inform the discussion at Committee

List of Appendices

Appendix A – Options Available for 2010/11
Appendix B – Bus Pass Applications Analysis
Appendix C – Railcard Applications Analysis
Appendix D – Vouchers Applications Analysis
Appendix E – G – Previous Papers of the Committee (since Dec 2008)

List of Background Documents:

Monthly management monitoring statements
Concessionary travel usage analysis
Previous Papers of the Committee (since Dec 2008)

List of Consultees:

Finance and MIS
Customer Services
Portfolio Holder for Finance – Cllr E Woodburn
RPWG – in relation to possible options in relation to peak-travel concession (19th November and 25th November meeting).

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	None
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None
Monitoring Officer Comments	None
S 151 Officer Comments	The options presented will need to be discussed by OSC; however, the budgetary context for 2010/11 is challenging.

Concessionary Travel

Appendix A - Options available for 2010/11

		2009/10 ESTIMATE				2010/11 Estimate Option 1			2010/11 Estimate Option 2			2010/11 Estimate Option 3			2009/10 Estimate Option 4		
		2009/10 Expenditure (as at 31 Oct 2009)	Estimated 2009/10 Full Year	Estimated 2009/10 Full Year	Estimated 2009/10 Full Year	2010/11 Estimate Option 1	2010/11 Estimate Option 1	2010/11 Estimate Option 1	2010/11 Estimate Option 2	2010/11 Estimate Option 2	2010/11 Estimate Option 2	2010/11 Estimate Option 3	2010/11 Estimate Option 3	2010/11 Estimate Option 3	2009/10 Estimate Option 4	2009/10 Estimate Option 4	2009/10 Estimate Option 4
		£	No	£ unit cost	£	No	£ unit cost	£ Total	No	£ unit cost	£ Total	No	£ unit cost	£ Total	No	£ unit cost	£ Total
Payments to Operators																	
Vouchers																	
Northern Rail	Discretionary	9,602	1,067	18	19,204	1,067	18	19,204	1,120	18	20,164	0	0	0	1,067	30.00	32,007
Taxis	Discretionary	13,517	1,287	18	23,172	1,287	18	23,172	1,352	18	24,331	0	0	0	1,587	30.00	47,620
Voucher Admin	Discretionary	3,943			4,543			4,770			5,009	0	0	0			7,950
Commission	Discretionary	1,156			2,311			2,311			2,225	0	0	0			3,981
TOTAL VOUCHERS		28,218			49,230			49,457			51,729	0	0	0			91,558
Railcards	Discretionary	30,600	1,500	20.40	30,600	1,700	22.10	37,570	1,785	22.10	39,449	0	0	0	1,700	22.10	37,570
Bus Passes																	
Stagecoach off peak	Mandatory	241,101	9,200	52.41	482,202	9,200	55.03	506,312	9,660	55.03	531,628	13,400	46.42	622,062	8,900	55.74	496,112
Stagecoach peak	Discretionary	30,395	9,200	6.61	60,790	9,200	6.94	63,830	9,660	6.94	67,022	13,400	5.85	78,422	8,900	7.17	63,830
Cumbria Contracted	Mandatory	25,949	9,200	5.64	51,897	9,200	5.92	54,492	9,660	5.92	57,217	13,400	5.00	66,949	8,900	6.12	54,492
Admin	Mandatory	(9,510)			1,490			27,000			27,000			27,000			27,000
Replacement passes		0			0			0			0			0			0
TOTAL BUS PASSES		287,935		65	596,379		68	651,633		68	682,867	57	57	794,433	69	69	641,433
General Admin																	
Advertising					7,500			7,875			7,875			7,875			7,875
Wages		2,071			3,908			3,947			3,947			3,947			3,947
Administrative Equipment		64			64												
Central Recharges														0			0
TOTAL ADMIN		2,135			11,472			11,822			11,822			11,822			11,822
Income																	
Replacement charge		(440)			(880)									0			0
Token refund																	0
Govt Grant		(106,690)			(213,000)			(110,000)			(110,000)			(110,000)			(110,000)
TOTAL INCOME		(107,130)			(213,880)			(110,000)			(110,000)			(110,000)			(110,000)
Total		241,758			473,801			640,483			675,867			696,255			672,383
2009/10 Budget					530,915			530,915			530,915			530,915			530,915
(Underspend)/Overspend(+) against 09/10 budget					(57,114)			109,568			144,952			165,340			141,468

NOTES

- OPTION 1** Assumes no change to the current discretionary schemes and no increase in the number of users but 5% increase in bus fares.
- OPTION 2** Assumes no change to the current discretionary schemes, 5% increase in the number of users and 5% increase in bus fares.
- OPTION 3** Assumes only the NoWcard scheme is continued. All current Railcard and Voucher users take a NoWcard at 50% of average usage (£68), but no increase in overall users.
- OPTION 4** Assumes value of vouchers increased to £30 per person. 300 NoWcard users at usage of £34 per year transfer to vouchers, but no increase in overall users.
- OPTION 5** Assumes value of vouchers increased to £30 per person. No NoWcard users transfer to vouchers, but 150 new users take up vouchers.
- OPTION 6** Assumes Rail Cards withdrawn and all 1,700 current users transfer to vouchers at £18.
- OPTION 7** Assumes Rail Cards withdrawn, 1,000 current users transfer to vouchers at £18 and 700 current users transfer to NoWcard at 50% of average usage.
- OPTION 8** Assumes Rail Cards and peak travel withdrawn, half current Rail card users transfer to vouchers at £18 and half transfer to NoWcard at 50% of average usage, 50% of peak travel is delayed to off peak.

Concessionary Travel

Appendix A - Options available for 2010/11

	2009/10 Estimate Option 5			2009/10 Estimate Option 6			2009/10 Estimate Option 7			2009/10 Estimate Option 8		
	No	£ unit cost	£ Total	No	£ unit cost	£ Total	No	£ unit cost	£ Total	No	£ unit cost	£ Total
Payments to Operators												
Vouchers												
Northern Rail Discretionary	1,067	30.00	32,007	2,767	18.00	49,804	2,067	18.00	37,204	1,917	18.00	34,504
Taxis Discretionary	1,437	30.00	43,120	1,287	18.00	23,172	1,287	18.00	23,172	1,287	18.00	23,172
Voucher Admin Discretionary			7,950			4,770			4,770			4,770
Commission Discretionary			3,756			3,649			3,019			2,884
TOTAL VOUCHERS			86,833			81,395			68,165			65,330
Railcards Discretionary	1,700	22.10	37,570	0		0	0		0	0		0
Bus Passes												
Stagecoach off peak Mandatory	9,200	55.03	506,312	9,200	55.03	506,312	9,900	53.09	525,603	10,050	55.89	561,665
Stagecoach peak Discretionary	9,200	6.94	63,830	9,200	6.94	63,830	9,900	6.69	66,262	10,050	0.00	0
Cumbria Contracted Mandatory	9,200	5.92	54,492	9,200	5.92	54,492	9,900	5.71	56,568	10,050	5.66	56,864
Admin Mandatory			27,000			27,000			27,000			27,000
Replacement passes			0			0			0			0
TOTAL BUS PASSES		68	651,633		68	651,633		65	675,433		62	645,529
General Admin												
Advertising			7,875			7,875			7,875			7,875
Wages			3,947			3,947			3,947			3,947
Administrative Equipment			0			0			0			0
Central Recharges			0			0			0			0
TOTAL ADMIN			11,822			11,822			11,822			11,822
Income												
Replacement charge			0			0			0			0
Token refund			0			0			0			0
Govt Grant			(110,000)			(110,000)			(110,000)			(110,000)
TOTAL INCOME			(110,000)			(110,000)			(110,000)			(110,000)
Total			677,858			634,851			645,420			612,681
2009/10 Budget			530,915			530,915			530,915			530,915
(Underspend)/Overspend(+) against 09/10 budget			146,943			103,936			114,505			81,766

NOTES

ANALYSIS OF CONCESSIONARY AND DISCRETIONARY TRAVEL - APPLICATIONS RECEIVED BY POSTCODE AREA 2007/08, 2008/09 AND 2009/10

BUS PASS APPLICATIONS June 2009

ShortPostCode	Area	ConcessionRequested	YearIndicator	Total	%	YearIndicator	Total	%	YearIndicator	Total	%
A28	Misc					2008-2009	1	0.05	2009-2010	0	0.00
C28	Misc	BusPass	2007-2008	1	0.07	2008-2009	1	0.05	2009-2010	1	0.05
CA14	Workington	BusPass	2007-2008	87	5.67	2008-2009	124	6.48	2009-2010	109	4.91
CA18	Ravenglass	BusPass	2007-2008	1	0.07	2008-2009	7	0.37	2009-2010	5	0.23
CA19	Holmrook	BusPass	2007-2008	15	0.98	2008-2009	28	1.46	2009-2010	23	1.04
CA2	Misc					2008-2009	1	0.05	2009-2010	0	0.00
CA20	Seascale	BusPass	2007-2008	65	4.24	2008-2009	113	5.90	2009-2010	132	5.95
CA21	Beckermet	BusPass	2007-2008	20	1.30	2008-2009	25	1.31	2009-2010	30	1.35
CA22	Egremont	BusPass	2007-2008	257	16.75	2008-2009	272	14.20	2009-2010	355	16.00
CA23	Cleator	BusPass	2007-2008	27	1.76	2008-2009	28	1.46	2009-2010	32	1.44
CA24	Moor Row	BusPass	2007-2008	18	1.17	2008-2009	20	1.04	2009-2010	28	1.26
CA25	Cleator Moor	BusPass	2007-2008	151	9.84	2008-2009	165	8.62	2009-2010	206	9.28
CA26	Frizington	BusPass	2007-2008	98	6.39	2008-2009	106	5.54	2009-2010	141	6.35
CA27	St Bees	BusPass	2007-2008	18	1.17	2008-2009	42	2.19	2009-2010	37	1.67
CA28	Whitehaven	BusPass	2007-2008	602	39.24	2008-2009	796	41.57	2009-2010	883	39.79
CA29	Misc					2008-2009	3	0.16	2009-2010	0	0.00
CA33	Misc					2008-2009	1	0.05	2009-2010	0	0.00
CA35	Misc								2009-2010	1	0.05
LA18	Millom	BusPass	2007-2008	170	11.08	2008-2009	159	8.30	2009-2010	225	10.14
LA19	Millom	BusPass	2007-2008	4	0.26	2008-2009	12	0.63	2009-2010	10	0.45
LA20	Broughton-In-Furness					2008-2009	9	0.47	2009-2010	1	0.05
LA28	Misc					2008-2009	2	0.10	2009-2010	0	0.00
TOTAL				1534	100.00	TOTAL	1915	100.00	TOTAL	2219	100.00

Increase between years

381

304

SUMMARY OF TRAVEL CONCESSIONS ISSUED 2007/08, 2008/09 AND 2009/10

	2007/08	2008/09	2009/10	
Bus Pass	1534	1915	2219	5668
Rail Card	#REF!	#REF!	#REF!	#REF!
Vouchers	#REF!	#REF!	#REF!	#REF!
	#REF!	#REF!	#REF!	#REF!

% increase in bus passes over period 44.65%

% decrease in rail cards over period #REF!

% decrease in travel vouchers over period #REF!

The figures will be change during the year as new entitlees reach their 60th birthday and apply for passes etc.

So - if we analyse only 07/08 and 08/09

% increase in bus passes over period 24.84%

% increase in rail cards over period #REF!

% decrease in travel vouchers over period #REF!

ANALYSIS OF CONCESSIONARY AND DISCRETIONARY TRAVEL - APPLICATIONS RECEIVED BY POSTCODE AREA 2007/08, 2008/09 AND 2009/10

RAILCARD APPLICATIONS June 2009

ShortPostCode	Area	ConcessionRequested	YearIndicator	Total	%	YearIndicator	Total	%	YearIndicator	Total	%		
CA13	Misc	RailCard	2007-2008	1	0.07								
CA14	Workington	RailCard	2007-2008	33	2.44	2008-2009	39	2.41	2009-2010	18	1.82		
CA18	Ravenglass	RailCard	2007-2008	19	1.40	2008-2009	26	1.60	2009-2010	15	1.51		
CA19	Holmrook	RailCard	2007-2008	44	3.25	2008-2009	58	3.58	2009-2010	29	2.93		
CA20	Seascale	RailCard	2007-2008	173	12.77	2008-2009	192	11.84	2009-2010	111	11.20		
CA21	Beckermet	RailCard	2007-2008	27	1.99	2008-2009	38	2.34	2009-2010	27	2.72		
CA22	Egremont	RailCard	2007-2008	109	8.04	2008-2009	145	8.95	2009-2010	83	8.38		
CA23	Cleator	RailCard	2007-2008	24	1.77	2008-2009	24	1.48	2009-2010	25	2.52		
CA24	Moor Row	RailCard	2007-2008	14	1.03	2008-2009	14	0.86	2009-2010	11	1.11		
CA25	Cleator Moor	RailCard	2007-2008	57	4.21	2008-2009	61	3.76	2009-2010	39	3.94		
CA26	Frizington	RailCard	2007-2008	32	2.36	2008-2009	36	2.22	2009-2010	24	2.42		
CA27	St Bees	RailCard	2007-2008	60	4.43	2008-2009	79	4.87	2009-2010	45	4.54		
CA28	Whtiehaven	RailCard	2007-2008	378	27.90	2008-2009	445	27.45	2009-2010	256	25.83		
CA29	Misc	RailCard	2007-2008	1	0.07								
CA35	Misc	RailCard	2007-2008	1	0.07	2008-2009	1	0.06					
CA4	Misc	RailCard	2007-2008	1	0.07	2008-2009	1	0.06	2009-2010	1	0.10		
CA9	Misc	RailCard	2007-2008	1	0.07	2008-2009	1	0.06	2009-2010	1	0.10		
LA13	Millom	RailCard	2007-2008	1	0.07	2008-2009	1	0.06					
LA18	Millom	RailCard	2007-2008	342	25.24	2008-2009	390	24.06	2009-2010	268	27.04		
LA19	Millom	RailCard	2007-2008	33	2.44	2008-2009	57	3.52	2009-2010	31	3.13		
LA20	Broughton-In-Furness	RailCard	2007-2008	4	0.30	2008-2009	13	0.80	2009-2010	7	0.71		
TOTAL				1355	100.00	TOTAL		1621	100.00	TOTAL		991	100.00

Change between years

266

-630

ANALYSIS OF CONCESSIONARY AND DISCRETIONARY TRAVEL - APPLICATIONS RECEIVED BY POSTCODE AREA 2007/08, 2008/09 AND 2009/10

VOUCHER APPLICATIONS June 2009

ShortPostCode	Area	ConcessionRequested	YearIndicator	Total	%	YearIndicator	Total	%	YearIndicator	Total	%
CA00	Misc	Vouchers	2007-2008	1	0.03	2008-2009	1	0.03	2009-2010	1	0.05
CA11	Misc	Vouchers	2007-2008	1	0.03	2008-2009	1	0.03			
CA14	Workington	Vouchers	2007-2008	74	2.02	2008-2009	59	1.95	2009-2010	30	1.61
CA18	Ravenglass	Vouchers	2007-2008	26	0.71	2008-2009	17	0.56	2009-2010	9	0.48
CA19	Holmrook	Vouchers	2007-2008	68	1.86	2008-2009	61	2.01	2009-2010	46	2.47
CA20	Seascale	Vouchers	2007-2008	331	9.03	2008-2009	288	9.50	2009-2010	171	9.16
CA21	Beckermet	Vouchers	2007-2008	50	1.36	2008-2009	34	1.12	2009-2010	29	1.55
CA22	Egremont	Vouchers	2007-2008	437	11.92	2008-2009	352	11.61	2009-2010	213	11.41
CA23	Cleator	Vouchers	2007-2008	45	1.23	2008-2009	36	1.19	2009-2010	23	1.23
CA24	Moor Row	Vouchers	2007-2008	65	1.77	2008-2009	49	1.62	2009-2010	27	1.45
CA25	Cleator Moor	Vouchers	2007-2008	210	5.73	2008-2009	161	5.31	2009-2010	89	4.77
CA26	Frizington	Vouchers	2007-2008	114	3.11	2008-2009	91	3.00	2009-2010	55	2.95
CA27	St Bees	Vouchers	2007-2008	63	1.72	2008-2009	49	1.62	2009-2010	32	1.71
CA28	Whitehaven	Vouchers	2007-2008	1129	30.80	2008-2009	932	30.75	2009-2010	514	27.55
CA29	Misc	Vouchers	2007-2008	2	0.05	2008-2009	2	0.07			
CA38	Misc	Vouchers	2007-2008	1	0.03	2008-2009	1	0.03	2009-2010	1	0.05
CA9	Misc	Vouchers	2007-2008	1	0.03	2008-2009	1	0.03	2009-2010	1	0.05
LA18	Millom	Vouchers	2007-2008	892	24.34	2008-2009	775	25.57	2009-2010	547	29.31
LA19	Millom	Vouchers	2007-2008	138	3.77	2008-2009	109	3.60	2009-2010	65	3.48
LA20	Broughton-In-Furness	Vouchers	2007-2008	16	0.44	2008-2009	11	0.36	2009-2010	12	0.64
LA22	Misc	Vouchers	2007-2008	1	0.03	2008-2009	1	0.03	2009-2010	1	0.05
TOTAL				3665	100.00	TOTAL	3031	100.00	TOTAL	1866	100.00

Change between the years

-634

-1165

Concessionary Fares

Director/Head of Department: Julie Crellin, Head of Finance & Management
Information Systems
Report Author: Ann Fisher, Senior Accountancy Officer

Recommendations:

1. That Members note the current concessionary travel arrangements and the caution expressed in relation to the 08/09 year-end estimate of expenditure, as a result of the delays in receiving usage information from the NoWcard bureau.
2. That Members consider recommending to the Executive, in the light of the difficulties in determining a year-end forecast for 08/09, to continue the current concessionary fare travel arrangements in 09/10. This would result in the opportunity to hold the 09/10 budget at 08/09 budget level i.e. £679,296

1. BACKGROUND

- 1.1 Members will be aware that, with effect from 1 April 2008 the mandatory concessionary travel scheme was extended to allow eligible persons to travel anywhere in the country at off peak times.
- 1.2 Members approved the extension of the mandatory scheme for 2008/09, to allow eligible Copeland residents to also travel during peak times within Cumbria, and to include companions of the severely disabled.
- 1.3 All authorities within Cumbria provide this discretion, with the exception of South Lakeland.
- 1.4 As part of the rural proofing agenda, Members also approved two discretionary concessionary travel schemes, namely vouchers with a reimbursement value of £18, or a Rail Card, as alternatives to the mandatory scheme. Allerdale are the only other authority in Cumbria to offer two discretionary options.

- 1.5 Copeland Borough Council are members of the County wide working group involving the County Council and Cumbrian Districts. This was initially set up in 2005 with the purpose of reviewing cross boundary issues within Cumbria, and as a vehicle in liaising and negotiating with NoWcard bus pass bureau and bus operators.
- 1.6 Authorities within Cumbria offer a variety of other discretionary options to their eligible users.
- 1.7 Copeland, based on latest records, has 17,000 eligible users of the concessionary travel scheme (approximately 75% have taken up this scheme).
- 1.8 Government recognized that the costs of extending the mandatory scheme to a national level would impact on the financial resources of the Concessionary Authorities (CTA's), and, in the case of Copeland awarded a grant of £208k for 2008/09 to assist in its introduction. Grants of £213k for 09/10 and £218k for 10/11 have been confirmed by Government.

2. CURRENT SITUATION

Budgetary

- 2.1 The 2008/09 budget is based on the new mandatory scheme arrangements and the estimated cost of the additional voucher and rail card discretionary schemes.
- 2.2 Because of the major changes to the mandatory scheme from 1st April 2008 in terms of eligibility and re-imburement, budgetary implications were very difficult to estimate when the budget for 08/09 was determined.
- 2.3 The 2008/09 budget was based on an average cost of £90 per eligible user for the mandatory scheme, and, for those choosing one of the alternative discretionary schemes, a cost to Copeland of £18 for each railcard issued, and a maximum vouchers re-imburement value of £18. The average cost of £90 was based on actual usage in 07/08 plus an increase factor based on Government guidelines.
- 2.4 Monitoring to date, based on information supplied by NoWcard for the 4 month period 1st April to 31st July 2008, and our own records on the discretionary scheme, indicate a total estimated underspend of £119k by financial year end, against a budget of £679k.(17.5%).

- 2.5 However, caution must be applied when using this estimate for decision making purposes as NoWcard have been slow in providing up to date information on the mandatory scheme usage, and should, therefore, be treated as only an estimate, and not a projection.
- 2.6 In order that Copeland receives regular and up to date financial reports from NoWcard, both the Head of Finance and MIS, and Head of Customer Services are to attend the December Cumbria Wide Group to request formal representation to NoWcard.

Operational

- 2.7 The mandatory scheme is currently showing, for the four month period to 31st July 2008, a re-imburement cost of £25 per eligible user, estimated to increase to £80 by financial year end. This is £10 less than the budgeted sum of £90 per eligible user.
- 2.8 This indicates that the number of bus rides being taken is less than was originally assumed when the budget was prepared. It would be speculative to determine the reasons for this, but if it relates to exceptional items then you would expect take up, and therefore, cost, in 09/10 to be greater.
- 2.9 With regard to the two alternative discretionary schemes, estimated usage of rail cards to financial year end is in line with budget (1,700 no.) and vouchers are estimated at 3,500, which is 500 less than budgeted figures, as the budget was based on actual usage in 07/08.
- 2.10 Cost of administering the scheme for the full financial year is estimated at £52.8k. This includes the cost of advertisements, card production, including the one off costs of replacing all existing NoWcards at 1st April 2008, the NoWcard bureau handling fee, voucher printing and postage and employment of temporary staff between December and March.
- 2.11 Currently we recover some of these administration costs by charging users £5 for the replacement of lost cards. However, the total administration cost of replacing these lost cards is estimated at £16, and based on current activity the total cost to the authority for the full financial year is estimated at £2,500 for 2008/09. The process of collecting the charge is inconvenient and costly for the user and the income generated for the Council is negligible.

3 OPTIONS AVAILABLE FOR 2009/10

- 3.1 Appendix A sets out the options for 2009/10 ranging from the current arrangements through to offering eligible users an alternative of £30 worth of vouchers.

- 3.2 The current scheme was agreed after much debate as Members of the OSC considered carefully the balance between costs, users needs and community impact, particularly rural proofing.
- 3.3 The cost to Copeland Borough Council of offering both the voucher and railcard schemes is more cost effective in that it limits costs to a maximum of £18 in vouchers, and £21 for each rail card issued.

In addition Copeland has control whereas the cost of the mandatory scheme is very much dependant on usage (number of times eligible users board a bus in Copeland area), i.e. demand led.

- 3.4 Whilst it would be beneficial from a financial viewpoint for Copeland to have more eligible users on the discretionary schemes, the package to the eligible user would have to be beneficial for them to choose an alternative to the mandatory scheme.
- 3.5 Members approved an extension to the 2008/09 mandatory bus pass scheme to include peak travel within Cumbria for eligible users.

Based on actual costs for the 4 month period 1st April to 31st July 2008, the extension of the mandatory scheme to include peak travel is estimated to cost in the region of £56k per annum.

Members may wish to consider the continuation of this extension to include peak travel for 2009/10. Savings cannot be guaranteed from the withdrawal of this extension as users may simply delay their journey time until off peak. If eligible users delayed 50% of the current peak travel to travel off peak, then a saving of approximately £25k could materialize.

All options shown within Appendix A include the continuation of peak travel arrangements.

- 3.6 A number of alternatives, showing the 2009/10 estimated usage and budgetary financial implications, are set out in Appendix A ranging from the current arrangements, through to offering £30 of vouchers (an increase of £12).
- 3.7 **Option 1** Based on the limited available information to date, it is estimated that to offer the continuation of the existing scheme will cost the authority £654k in 2009/10, and falls within the Council's current approved budget for 2008/09 of £679k.

- 3.8 Option 2** If all discretionary schemes were withdrawn, with the exception of the NoWcard peak travel, then approximately 5,000 extra users would be entitled to a NoWcard. As these people do not currently choose a bus pass it is assumed they are probably not regular travelers on the bus services. It has been assumed that each transferring user would use the NoWcard at only half the average level of £92.

At this level of assumed usage the full cost would be £777k and in excess of the Councils approved budget for 2008/09 by £98k. This would require a budgetary growth bid for 2009/10.

- 3.9 Option 3** The mandatory scheme at an estimated cost of £92 per card holder for 09/10 is significantly more expensive for the Council than the alternative discretionary schemes.

If the value of the vouchers was increased to £21 (the same cost as a rail card to the Council), some current NoWcard users *may* be encouraged to change to one of the alternatives. These would probably be users who were not regular travelers on the bus services.

Indeed the evidence from the current year is that increasing the value of the vouchers by £3 resulted in no increase in the number of vouchers applied for and issued.

Assuming that the users who transferred used the NoWcard at half the average cost it would be necessary for 366 users to transfer to obtain a breakeven position with no financial impact to the Council.

If only 150 users transferred the total cost would be £660k. This option although more expensive than Option 1 would still fall within the Council's approved budget for 2008/09.

- 3.10 Option 4** The real risk in implementing Option 3 is that no users transfer from the mandatory scheme and new users are attracted to the voucher scheme. If 745 new users took up the voucher scheme the total cost would exceed the Councils approved budget for 2008/09.

If 150 new users took up the vouchers the total cost to the Council would be £667k. This option although more expensive than Option 1 would still, but only by £12k, fall within the Council's approved budget for 2008/09.

- 3.11 Option 5** If the value of the vouchers was increased to £30 then 2,289, or over 25%, of the current 8,000 NoWcard users would be required to transfer at the assumed half average cost to obtain a breakeven position.

If only 300 users transferred the total cost would be £689k.

This would exceed the Councils approved budget for 2008/09 by £10k and would require a budgetary growth bid for 2009/10.

- 3.12 Option 6** The real risk in implementing Option 5 is again that no users transfer from the mandatory scheme and new users are attracted to the voucher scheme.

If 500 new users took up the voucher scheme the total cost to the Council would be £709k.

This would exceed the Councils approved budget for 2008/09 by £30k and would require a budgetary growth bid for 2009/10.

4. CONCLUSION

- 4.1** Based on latest estimates, of the 6 options set out in Appendix A, Options 1, 3, and 4, appear to be affordable within the existing approved 2008/09 approved budget.

As previously indicated, these figures are very much estimates and not projections due to the lack of accurate and up to date information on the mandatory scheme, and therefore caution must be taken for decision making purposes.

Options 3 and 4 make some fundamental assumptions about the number of users who would change their choice of concessionary scheme if the value of the vouchers was increased. There is no data available to back up these assumptions and the end cost could therefore be quite different if the users did not, in fact, change their behaviour as a result of the changes, and new users were attracted to the scheme.

This budget is demand driven and forecasting customer behaviour is not straightforward.

- 4.2** Again based on latest estimates, Options 2,5, and 6 would increase the cost to the Council based on the 2008/09 approved budget, and therefore require a growth bid for 2009/10 budgetary purposes.

- 4.3 Based on the latest available information, Option 1 provides the opportunity to continue with all the current concessionary travel arrangements into 2009/10, and meet customer needs whilst keeping within the constraints of the approved budget for 2008/09.

List of Appendices

Appendix A – Options Available for 2009/10

List of Background Documents:

Monthly management monitoring statements
Concessionary travel usage analysis

List of Consultees:

Finance and MIS
Customer Services

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	None
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None
Monitoring Officer Comments	None
S 151 Officer Comments	The options presented will need to be discussed by OSC; however, the budgetary context for 2009/10 is challenging.

Concessionary Travel

Appendix A - Options available for 2009/10

	2008/09 ESTIMATE									
	2008/09 Expenditure (to 31 Oct 2008/09 Full Year)		Estimated 2008/09 Full Year		Estimated 2008/09 Full Year		Estimated 2008/09 Full Year		Estimated 2008/09 Full Year	
	E	No	E	No	E	No	E	No	E	No
Payments to Operators										
Vouchers	9,308	1,120	20,167	0	20,167	0	0	0	0	0
Northern Rail	18,721	1,932	34,768	0	34,768	0	0	0	0	0
Taxis	3,043		3,043	0	3,043	0	0	0	0	0
Voucher Admin	1,363		2,847	0	2,847	0	0	0	0	0
Commission	32,395		66,777	0	66,777	0	0	0	0	0
TOTAL VOUCHERS	21,000	1,500	31,500	0	31,500	0	0	0	0	0
Railcards										
Bus Passes										
Stagecoach off peak	164,429	8,000	614,554	66.46	830,754	12,500	66.46	830,754	12,500	66.46
Stagecoach peak	15,095	8,000	48,026	6.13	56,360	12,500	4.51	65,380	12,500	5.24
Cumbria Contracted Admin	17,520	8,000	55,941	7.12	65,482	12,500	5.24	74,500	12,500	5.24
Replacement passes	11,245		11,245		11,500			11,500		
TOTAL BUS PASSES	208,289	80	747,917	76	964,117	25,000	76	1,008,134	25,000	76
General Admin										
Advertising	0		7,500		7,500			7,500		
Wages	4,278		18,318		18,318			18,318		
Central Recharges	4,278		25,818		25,818			25,818		
TOTAL ADMIN	(435)		(745)		(745)			(745)		
Income										
Replacement charge										
Taxi Refund										
Govt Grant	(104,231)		(208,000)		(208,000)			(208,000)		
TOTAL INCOME	(104,231)		(208,000)		(208,000)			(208,000)		
Total	161,286		560,304		560,304			560,304		
2008/09 Budget			679,296		679,296			679,296		
(Under spend)/(Over spend) against 08/09 budget			(118,992)		(118,992)			(118,992)		

NOTES

- OPTION 1 Assumes no change to the current discretionary schemes and no increase in the number of users
- OPTION 2 Assumes only the NoVoucher scheme is continued. All current Railcard and Voucher users take a NoVoucher at 50% of average usage (£52), but no increase in overall users.
- OPTION 3 Assumes value of vouchers increased to £21 per person. 150 NoVoucher users at usage of £46 per year transfer to vouchers, but no increase in overall users.
- OPTION 4 Assumes value of vouchers increased to £21 per person. No NoVoucher users transfer to vouchers, but 150 new users take up vouchers.

Concessionary Travel

Appendix A - Options available for 2009/10

	2009/10 Estimate Option 5		2009/10 Estimate Option 5		2009/10 Estimate Option 5		2009/10 Estimate Option 6	
	No	£ unit cost	No	£ unit cost	No	£ unit cost	No	£ unit cost
Expenditure/Options								
Vouchers								
Northern Rail	1,120	30.00	33,612		1,120	30.00	33,612	
Taxis	2,432	30.00	66,946		2,432	30.00	72,946	
Voucher Admin			5,325				5,325	
Commission			4,411				4,411	
TOTAL VOUCHERS			110,295				116,295	
Railcards	1,500	21.00	31,500		1,500	21.00	31,500	
Bus Passes								
Stagecoach off peak	7,700	76.02	600,754		8,000	76.82	614,554	
Stagecoach peak	7,700	7.32	56,369		8,000	7.05	56,369	
Cumbria Contracted Admin	7,700	8.50	65,482		8,000	8.19	65,482	
Replacement passes			11,500				11,500	
TOTAL BUS PASSES			734,117				747,917	
General Admin								
Advertising			7,875				7,875	
Wages			19,234				19,234	
Central Recharges			0				0	
TOTAL ADMIN			27,109				27,109	
Income								
Replacement charge			(783)				(783)	
Token refund			0				0	
Govt Grant			(213,000)				(213,000)	
TOTAL INCOME			(213,783)				(213,783)	
Total			689,237				709,057	
2009/09 Budget			679,296				679,296	
(Underpend)/Overpend(-) against 08/09 budget			9,941				29,741	

NOTES

OPTION 5 Assumes value of vouchers increased to £30 per person. 300 Not/valid users at usage of £16 per year transfer to vouchers, but no increase in overall users

OPTION 6 Assumes value of vouchers increased to £30 per person. No Not/valid users transfer to vouchers, but 500 new users take up vouchers.

CONCESSIONARY TRAVEL

Head of Department Julie Crellin, Head of Finance and Management
Information Systems

Report Author Julie Crellin

The purpose of this report is to provide the Committee with an update of the Concessionary Fares Budget 2008/09. The report sets out the estimated year-end position for 2008/09 and the revenue budget for 2009/10.

Recommendations:

1. That Members note the estimated net year-end position of £466,000 compared to the net budget of £679,000 which represents an underspending estimate of £213,000. This estimate has increased since the estimate reported at the December meeting of the Committee.
2. That Members note the net revenue budget for 2009/10 of £531,000 and the progress to date in issuing concessions for 2009/10.

1. BACKGROUND

- 1.1 Members received a report at its meeting of 4th December 2008 which set out the current concessionary travel arrangements. The report explained the extension to the mandatory travel scheme from 1st April 2008 which enabled eligible persons to travel anywhere in the country at off peak times (9.30 am – 11 pm weekdays and all day weekends and bank holidays).
- 1.2 It also explained that Copeland Borough Council operates a discretionary travel scheme, enhancing the mandatory arrangements. Discretionary travel arrangements extend to companions of the severely disabled and the provision of travel vouchers (value of £18) or a Rail Card. The travel vouchers and rail card offer provides a measure of rural-proofing for the scheme. The scheme has 17,000 eligible users which represents around 75% of those who could, have taken up the scheme.

- 1.3 Establishing the revenue budget for 2008/09 was difficult in the light of the changes to the mandatory scheme and estimates based on Government guidelines had been used in establishing a net budget for 2008/09 of £679,000.
- 1.4 Government recognised the costs of extending the mandatory scheme to a national level would impact on the Concessionary Authorities and additional grant was awarded to assist. Copeland received a grant of £208,000 for 2008/09 and grants of £213,000 for 2009/10 and £218,000 for 2010/11 will be received.
- 1.5 The forecast net year end results for 2008/09 contained in the report to the December meeting of the Committee was of an outturn of £560,000, representing an underspending of £119,000 compared to the net revenue budget.
- 1.6 Members will remember caution was expressed at the forecast as it was based on actual patronage information for a four month period, ending 31st July. The Cumbrian Concessionary Authorities, through the Cumbria Concessionary Travel Working Group had expressed dissatisfaction with the delays in receiving usage information from NOWcard bureau, who provide information on the use of the NOWcard bus pass. NOWcard were seeking to improve their practices and assurances were given at the Cumbria Concessionary Travel Working Group at its December meeting that the process would improve.
- 1.7 The report discussed at the December meeting also set out various scenarios to inform the budget preparation for 2009/10. The Committee recommended to Executive a continuation of the current concessionary fare travel arrangements in 2009/10, but mindful of the budget pressures facing the Authority felt that this could be contained within the current budget, given the forecast presented. At the meeting I provided a further verbal update – as information had been provided to 31st October period which suggested that the projection based on July figures remained reasonable and valid.

2 CURRENT SITUATION

- 2.1 A revised forecast of the year-end position has been prepared. This is set out in Appendix A.
- 2.2 The turnaround of information from NOWcard bureau has improved since December. However, we are yet to be invoiced for the costs of the bureau, but we have included a provision for this in preparing the estimate for 2008/09.
- 2.3 The revised forecast, based on actual expenditure on bus travel to the end of January 2009 and actual expenditure on railcards and vouchers

- 2.4 Interestingly, this latest forecast shows gross expenditure on bus travel of £587,437 compared to actual in 2007/08 of £686,915, which represents a reduction of £99,478. The current mandatory scheme has the following effect upon expenditure in comparison to 2007/08 - expenditure on bus travel would be expected to reduce due to neighbouring authorities being charged for Copeland residents who are travelling back into Copeland from other areas and be increased due to Copeland paying for residents of other authorities who travel home after visiting Copeland. Therefore, the conclusion from the usage figures is all things being equal, the overall reduction indicates that there are more journeys made by Copeland residents outside the Borough than by residents of other authorities visiting Copeland.

3 LOOKING FORWARD – BUDGET 2009/10 and Onwards

- 3.1 The forecast of £466,000 for 2008/09 compares to the net budget of 2009/10 of £531,000 which was confirmed through the agreement of the budget proposals agreed by Council at the Budget Meeting in February. Members will remember the budget proposal for 2008/09 maintained the provisions of the current scheme, but included reducing the total budget by £150,000 in line with the projections to the end of December. The budget of £531,000 is £65,000 greater than the year-end forecast for 2008/09 and should provide some capacity to absorb future growth if the underlying activity in 2009/10 is in some way extraordinary in the long-term.
- 3.2 The underspending will be confirmed as part of the year-end reporting process and if achieved, it will benefit Council reserves. Members will remember the budget for Concessionary Travel was increased in 2008/09 both by the government grant and additional funding from Copeland. Council agreed a reserve strategy as part of the budget proposal 2009/10 – 2011/12 which included a risk based reserve, recognising the vulnerability of the budget proposal (which is always based on estimates of future activity at a point in time). The risk based reserve includes a specific item in relation to the risk that concessionary fare costs may be in excess of the budget of upto £42,500. This provides some additional comfort in terms of managing the budget in 2009/10.

- 3.3 The issue of concessions for 2009/10 is progressing well. The processing of applications for bus passes is up to date with approximately 40 applications a week still being received. The administration of the scheme is being conducted by Copeland Direct, and the majority of work being undertaken by staff in the Millom office, with assistance from Finance.
- 3.4 The voucher applications received by the specified date of 20th February were all processed and have been posted. Applications for vouchers received after that date were processed once the stock of vouchers was delivered by the printers (weekend of 27th March). Railcards were posted out on the 26th March. Late applications for both vouchers and railcards which continue to be received will be processed as soon as possible.
- 3.5 A diary system has been introduced to process applications that have been submitted before the applicant is entitled e.g. where someone is 60 in April or May these will be processed at the appropriate time and this accounts for around 198 further applications.
- 3.6 Government has recently (10 March 09) issued a response to consultation document to clarify the definition of which services are eligible for the statutory bus concession in England, under the mandatory scheme i.e. for people over 60 and eligible disabled people. Changes to the eligibility criteria will come into effect on 1st April 2009, but funding allocations for the mandatory element will not be changed.
- 3.7 The thrust of the consultation was to bring clarification to the 'minimum' definition of eligible services for which the government scheme will cover, and as you would expect, Authorities continue to have the discretion to do more in addition to the mandatory scheme – but this must be funded by the Authority concerned. The main impacts will be negligible in terms of the scheme operated in Cumbria, and are as follows:-
- Specific services operated for historical interest or tourism which charge premium fares, or the vehicle is of historic value, will be excluded from the mandatory scheme, as they usually do not provide access to local services and charge higher fares than scheduled local services.
 - A service is not considered an eligible services if it is intended to operate for less than six consecutive weeks, but they do not have to run for at least once a week to be included, running once or twice a month for example, is eligible. This change was to accommodate the rurality nature of some services, which do not run weekly, but do run regularly within the six week period.

- Where a rail service has been withdrawn permanently and a permanent bus service replaces it, the permanent replacement bus service can be eligible, but temporary rail replacement bus services would be excluded.
- 3.8 The only change to the criteria of eligible services which may affect local users is that those services on which more than half of the seats can be reserved in advance of travel will be excluded from the statutory bus concession i.e. long-distance express services are to be excluded.
- 3.9 There has been no further comment by the Department of Transport, reported in the Local Government press before Christmas of the possibility of after 2010/11, that the responsibility for the administration of concessionary fares may transfer to higher tier authorities, i.e. County Council. This would result in revisions to the Revenue Support Grant allocation for Counties and Districts and the result might not be funding neutral to every individual authority. This was included in the Revenue Budget paper to Council in February as an uncertainty we will need to consider more carefully in preparing next year's update to the Medium Term Financial Strategy budget.

List of Appendices

Appendix A – Forecast Year-End Projection 2008/09

List of Background Documents

- Monthly management monitoring statements
- Concessionary travel usage analysis
- Council Revenue Budget 2009/10+ - Papers to Council meeting of 24th February 2009

List of Consultees

Ann Fisher, Senior Accountancy Officer

Jane Salt, Head of Customer Services

Cheryl Cowperthwaite – Cumbria County Council – Acting Head of Passenger Transport

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	Scheme includes concessionary

	element of travel vouchers and rail cards.
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None
Section 151 Officer Comments	None – report author
Monitoring Officer Comments	None

Appendix A - OSC Meeting 2 April 2009
Concessionary Travel - Forecast Year End Position 2008/09

		Dec Meeting Forecast Outturn 2008/09 £	Actual at 31st January 2009 £	Revised Forecast Outturn 2008/09 £	Budget 2009/10 £
Payments to Operators					
Vouchers					
Northern Rail	Discretionary	20,167	13,571	14,805	20,167
Taxis	Discretionary	34,768	28,107	33,217	34,768
Voucher Admin	Discretionary	3,043	3,043	4,543	5,000
Commission	Discretionary	2,647	2,245	2,653	2,647
TOTAL VOUCHERS		60,625	46,966	55,218	62,582
Railcards	Discretionary	21,000	21,000	21,000	21,000
Bus Passes					
Stagecoach off peak	Mandatory	534,395	383,712	464,820	511,054
Stagecoach peak	Discretionary	49,026	42,067	50,959	53,380
Cumbria Contracted	Mandatory	56,941	42,011	50,413	60,482
Admin	Mandatory	10,000	0	10,000	10,500
Replacement passes		11,245	11,245	11,245	12,000
TOTAL BUS PASSES		661,607	479,035	587,437	647,416
General Admin					
Advertising		7,500	6,152	6,152	7,875
Wages		18,318	4,028	4,751	5,825
Administrative Equipment		0	602	602	0
Central Recharges		0	0	0	0
TOTAL ADMIN		25,818	10,782	11,505	13,700
Income					
Replacement charge		(746)	(685)	(810)	(783)
Token refund		0			
Govt Grant		(208,000)	(156,632)	(208,000)	(213,000)
TOTAL INCOME		(208,746)	(157,317)	(208,810)	(213,783)
Total		560,304	400,466	466,350	530,915
2008/09 Budget		679,296		679,296	
2009/10 Budget					530,915
(Underspend)/Overspend(+) against 08/09 budget		(118,992)		(212,946)	

Consultation on Possible Changes to the Administration of Concessionary Travel

Head of Department Julie Crellin, Head of Finance and Management
Information Systems
Report Author Neil White, Scrutiny Support Officer

The purpose of this report is to advise the Committee on a Government consultation on possible changes to the administration of Concessionary Travel.

Recommendation: that in respect of the consultation on possible changes to the administration of Concessionary Travel the Department of Transport be advised that this council supports:

1. for the administration of the statutory scheme Option 2 - Only upper-tier authorities administer the concession, and
2. for the administration of the discretionary scheme Option 3 - District councils can only establish discretionary concessions jointly with the relevant upper tier authority.

This assumes that a funding transfer will be made to the County Council on the basis that the District Council has an influencing role which is formally recognised by the County Council.

The reason for these recommendations is that the council would not wish to lose its discretionary schemes as it is considered that they are essential for promoting social inclusion, addressing rural isolation and supporting rural transport links.

1. BACKGROUND

- 1.1 The Department of Transport has issued a consultation paper that looks at options for possible changes to two aspects of the administration of concessionary travel in England.
- 1.2 The first is the responsibility for administering the statutory minimum bus concession.
- 1.3 The second is the ability of local authorities to introduce their own discretionary travel concessions which might be in addition to, instead of, or completely different from, the statutory minimum bus concession.
- 1.4 The consultation period began on 28 April 2009 and will run until 21 July 2009.

- 1.5 This report provides a summary of the consultation paper. The full consultation paper is 79 pages and can be viewed at <http://www.dft.gov.uk/consultations/open/concessionarytravel/>. A copy has also been placed in the members room.
- 1.6 The Committee is invited to give its views on the proposed options which will then be passed on to the Executive when it considers this consultation at its meeting on 30 June. Following the Executive, a response on behalf of the Council will be submitted to the Department of Transport.
- 1.7 Any changes to the statutory responsibility for administering concessionary fares are most likely to be implemented at the beginning of the next three year local government finance settlement which is April 2011.

2 PROPOSALS

A Statutory Scheme

- 2.1 The Concessionary Bus Travel Act 2007 guaranteed free local bus travel to eligible passengers aged 60 or over or disabled on off-peak services anywhere in England. Total national spending on concessionary travel is now over £1 billion per annum.
- 2.2 The current scheme is a national scheme administered at local level, with the District Council being the responsible authority in shire areas.
- 2.3 The consultation document suggests that in general terms, there are four key responsibilities associated with administering a concessionary fares scheme:
- Assessing the eligibility of applicants for passes, issuing passes and managing a passholder database;
 - Assessing which local bus routes might be eligible for the concession;
 - Defining and publishing a concessionary fares scheme and reimbursing bus operators; and
 - Using enforcement powers where necessary.
- 2.4 The Government is proposing four options for how the statutory scheme should in the future be administered. These are:
- 1. Leave things as they are now**
- 2.5 The consultation states that this will not address the number of problems that exist in the current arrangements. These include scheme variations across authorities; a large number of authorities for bus companies to negotiate with; difficulty in accurately forecasting an individual authority's expenditure on the scheme and the non – alignment of those authorities that issue the bus passes to those with Transport Authority responsibilities.

2.6 It does, however, allow District Councils to make improvements to the statutory minimum that are appropriate to local needs.

2. Only upper-tier authorities administer the concession.

2.7 This would mean that administering the statutory scheme in Cumbria would move from the district councils to the county council.

2.8 This option would align responsibility for those authorities who issue the bus passes with those authorities who have Transport authority responsibilities. It should also assist local transport plans.

2.9 It should enable efficiency savings to be made due to the economies of scale, the capacity of the larger authority and mean less councils for the operators to negotiate with. It could also facilitate smart ticketing as some small Districts are not able to support the costs associated with the introduction of the Smartcard technology.

2.10 There would also be the possibility under this option, for county councils to continue to liaise with district councils (or indeed to sub-contract some of the associated administrative activities such as pass-issuing).

2.11 There is a risk though that local knowledge about the needs of the users would be lost with a move from the districts to the county council.

3. The administration of the statutory minimum concession is moved to Central Government.

2.12 This option would remove all problems associated with accurately funding local authorities and could create funding efficiencies as hundreds of local negotiations would be replaced with one. There would also be a reduction in the burden of negotiation currently on bus operators and local authorities.

2.13 However, this option would require the creation of a new structure of administration at a cost i.e. the establishment of a specific national agency. Also the question of local enhancements would be difficult to address, either the statutory minimum concession would have to be upgraded to include all enhancements currently offered locally but on a national basis, which would be prohibitively expensive; or all local enhancements currently offered would have to be removed, which would be extremely unpopular.

2.14 It would also mean a significant amount of formula grant to local authorities effectively disappearing which could have unintended consequences.

2.15 Even with this arrangement, local authorities would still need to form and develop relationships with local bus operators to undertake local transport planning and consider letting contracts for subsidised routes.

4. Administration is moved to a regional level

- 2.16 This option would require primary legislation and would require a longer timescale to implement.
- 2.17 Whilst reducing the number of authorities that bus operators have to deal with where there is no regional government there is no obvious candidate authority to take on this function.
- 2.18 Some of the problems around funding and the continuing transport role for authorities from option 3 above arise under this option also.

Government Preference

- 2.19 The consultation document makes it clear that the Government's initial view is in favour of option 2 - of a shift of responsibility from district to county councils.
- 2.20 It considers option 1 to be unattractive as it feels that there are clear signs that the current arrangements are under strain and may not be sustainable in the longer term.
- 2.21 A fully centralised statutory concession (option 3) has some attractions and could generate efficiency savings. However, it is inconsistent with wider policies towards devolving the delivery of services and could lead to complexity and duplication because of the current pattern of discretionary concessions.
- 2.22 Option 4, a move to regional administration of concessionary fares is considered to be not a realistic option for change in time for the start of the next 3 year local government finance settlement in 2011.

Copeland

- 2.23 Provisional direct total cost (subject to Audit) of the statutory scheme, before the apportionment of central overheads, to the council last year was £541,169.
- 2.24 There was also shared direct administrative costs between the statutory and discretionary schemes) of £8,712.
- 2.25 The council received a grant of £207,893 for administering the scheme leaving a direct net cost to the council of £333,276.
- 2.26 It would be fair to say that the cost of the statutory scheme has been highly volatile over the last two years with the council underestimating and then over estimating the cost.
- 2.27 It is expected that with no major changes to the scheme this year nor substantial national advertising or promotion of the scheme that the cost should be much closer to the predicted estimate, subject to any major local effects.

B Discretionary Schemes

2.28 The mandatory concession scheme may be supplemented with more generous concessions at the discretion of a local authority under section 93 of the Transport Act 1985.

2.29 The Government is proposing four options for how the discretionary scheme should in the future be administered. These are:

1. District councils retain the ability to establish discretionary travel concession schemes under the 1985 Act, as now

2.30 There would be no change in the pattern of travel concessions currently offered to those eligible. If there is no change to who administers the statutory minimum concession then it would make sense to make no changes to who can implement local enhancements to the minimum concession. However, if responsibility for the statutory minimum concession is moved up a tier, then retaining the ability to implement discretionary concessions at the lowest level could nullify many of the benefits of such a move.

2.31 It would make calculating how much funding to transfer between the tiers extremely difficult if only part of the responsibility for concessionary travel were moved. It would also complicate matters hugely for operators and could lead to significant confusion. It could conceivably lead to concessionaires holding two different passes and to confusion over enforcement and reimbursement.

2. District councils lose the ability to establish discretionary travel concessions

2.32 Using the 2007 Concessionary Bus Travel Act, District Councils could have the powers to establish travel concessions removed. This would mean that the County Council would inherit the existing pattern of discretionary concessions across Cumbria. The District Councils would be unable to implement new discretionary schemes under this Act. The County Council would be able to persist with the existing pattern of concessions or rationalise it.

2.33 The consultation suggests that this option would make sense if District Councils also lost the responsibility for the statutory minimum concession. It would enable many of the efficiency savings from such a move to be fully realised and could also result in a simpler map of discretionary concessions.

2.34 The risk with this option is that moving responsibility for both the statutory and discretionary concessions away from district councils could result in the loss of some of those discretionary concessions.

2.35 The County Council would be responsible for developing and implementing schemes and reimbursing operators. The County Council would also be able to introduce new discretionary concessions and

these could exist at the district council level if the County Council so wished.

2.36 It would be possible under this option for a district council to originate and fund a proposal for a discretionary concession in its area, but ask the County Council to implement it provided there was agreement over the necessary transfer of funding. However the bus operators would only have to deal with the county council.

2.37 This could be introduced in one of three ways:

- At the instigation of the county council which would retain the ability to introduce concessions in a defined geographical area;
- At the instigation of a district council which would agree to fund the concessions but have it administered by the county council;
- At the instigation of a district council using well-being powers which would see it liaise directly with operators.

2.38 However, the consultation accepts that under the well being powers all local authorities may retain some ability to introduce travel concessions in their areas. In so doing, to provide as simple and consistent framework for operators and concessionaires, the consultation expects that this would happen with the authority with the responsibility for the statutory concession taking the lead.

3. District councils can only establish discretionary concessions jointly with the relevant upper tier authority

2.39 This option would see formal responsibility for the reimbursement for discretionary concessions moving from the Districts to the County. District Councils would still be able to implement discretionary concessions but only if they act jointly with the County Council's.

2.40 The Secretary of State has the power under The Concessionary Bus Travel Act 2007 to assign certain functions to the County Council – such as, for example, reimbursement or pass issuing. Therefore, districts could still have a say in what sort of discretionary concessions they wanted but would no longer be responsible for negotiating with and reimbursing operators or for issuing passes if these functions were assigned to the County Council only.

2.41 The consultation suggests that this approach might strengthen the ability of district councils to influence the pattern of discretionary concessions in their area but could still realise some of the efficiency savings from moving administration up a tier. It would formally allow for a pattern of discretionary concessions that exist at the sub-county level accurately reflecting local needs. This means that the existing map of local discretions could remain largely unchanged.

2.42 However, if funding and reimbursement both moved to the county council there may be little sense in district councils retaining any

interest in concessionary travel. Moreover, the idea of joint co-operation between the tiers might be difficult to implement in practice although Cumbria has an established mechanism for cross County negotiation in the form of the Concessionary Travel Group.

Government Preference

- 2.43 The consultation states that it is probable (and possibly preferable) that the authority with the responsibility for the statutory concession in an area would also lead on implementing discretionary concessions.
- 2.44 Because of this, and because of the need to provide as simple and consistent a framework as possible for operators and concessionaires in dealing with concessionary fares, the Government's initial preference is to pursue Option 2 and move responsibility for discretionary concessions to upper tier authorities only.

Copeland

- 2.45 The Council introduced discretionary schemes as it was considered that they promoted social inclusion and were important in addressing rural isolation, in addition to supporting rural transport links.
- 2.46 The cost of the discretionary schemes, before apportionment of central overheads, to the council last year was £121,519. This includes vouchers, railcards and peak time travelling reimbursements.
- 2.47 There was also administrative costs (some of which related to the discretionary schemes) of £8,712.
- 2.48 Overall the concessionary travel schemes have 17,000 eligible users which represent around 75% of those who could, have taken up the scheme.

3 FUNDING

- 3.1 The Government takes the view that the statutory concessionary travel scheme is funded by Central Government, through a combination of formula grant (administered by Communities and Local Government) and Special Grant (administered by Department for Transport).
- 3.2 The Special Grant allocation for the three years beginning in April 2008 was at the specific request of local authorities to recognise the challenge of allocating additional funding purely to meet the costs of the new national concession. The Government has always made clear its intention to divert this funding into the wider formula grant settlement once the impact of the new concession was clearer.
- 3.3 Any changing of responsibility for the statutory scheme from District to County Councils would see a calculation of how much to remove from the District Council's current formula grant allocation. This is not a simple process because allocations are not separately identified for individual activities. Any change would be subject to detailed

consultation during 2010 as part of the Government's regular timetable for developing the wider local government finance settlement.

- 3.4 No data is available at this stage to inform the effects of any changes.
- 3.5 The Government though is committed to the new burdens principle and any activity transferred to upper tier authorities would therefore be fully funded.
- 3.6 Any transfer of formula grant funding is complicated by the presence of discretionary schemes which are offered by authorities out of their own funds. If the responsibility for administering both the statutory minimum and discretionary concessions is moved away from lower tier authorities then the task of estimating how much funding to transfer is simplified. However if the two responsibilities are split with, say, the statutory minimum responsibilities moving to the upper tier but discretionary responsibilities remaining with all tiers of local government then calculating how much funding to transfer is more complicated.
- 3.7 This is because this spending is not separately identified by authorities in their spending returns but the Department of Transport have, after the start of this consultation, asked authorities to indicate how much they are spending on their discretionary schemes. The questions relate to 2007/08 actual spending.

4 TIMETABLE

- 4.1 The consultation makes it clear that any changes that are implemented will be for the longer term.
- 4.2 However the Government is consulting separately about the principle of who should administer concessionary travel (this consultation) and how it should be funded (the Communities Local Government consultation on the wider local government finance settlement starting in 2010). This will allow for a decision in principle on how concessionary travel should be administered in advance of the wider consultation on local government funding.
- 4.3 So this will mean that any changes to the statutory responsibility for administering concessionary fares are most likely to be implemented at the beginning of the next three year local government finance settlement. This indicative timetable suggests that detailed discussions on concessionary travel funding would not start until decisions on how the concession should be administered have been announced, with the formal Formula Grant Distribution consultation due for issue in July 2010, and conclusions being reached by around November 2010.

5 CONCLUSION

- 5.1 Concessionary Fares is a significant budget area and it is necessary to consider carefully the potential financial implications of the options included in the consultation paper when making a response. It cannot

be assumed that any changes to the responsibility for operating concessionary travel would be cost neutral for the Council. However, at this stage, it is a “in principle” consultation as there is no data from government to help inform this decision.

- 5.2 All of the options proposed have their advantages and disadvantages. However, if we consider the opportunities for efficiencies which will probably influence government thinking in terms of the Comprehensive Spending Review 2010 and in particular funding to local authorities, Option 2 - Only upper-tier authorities administer the statutory concession, and therefore, for the administration of the discretionary scheme, Option 3 - District councils can only establish discretionary concessions jointly with the relevant upper tier authority are the options which balance local needs and economies of scale.
- 5.3 However if funding and reimbursement both moved to the county council there may be little sense in district councils retaining any interest in concessionary travel. Moreover, the idea of joint co - operation between the tiers might be difficult to implement in practice.
- 5.4 These two options will deliver administrative savings from the schemes; reduce any potential duplication and confusion that the Government is seeking as a result of this consultation without losing the Council's Discretionary schemes. This assumes, however, that if this option is adopted by Government, some funding will remain at a local level to provide for discretionary concessionary fares.
- 5.5 The Government is not in favour of Option 1 for the discretionary schemes as it would not achieve the full level of savings, it could result in duplication from having potentially two different schemes in an area that would cause confusion for users of the schemes. It would also be inefficient from both the County and District Council's perspective.
- 5.6 It is worth remembering that the Council introduced the discretionary schemes as it was considered that they are essential for promoting social inclusion, addressing rural isolation and supporting rural transport links. An agreement would need to be struck with the County Council to ensure that these principles are kept intact in any future discretionary schemes run in Copeland
- 5.7 The report therefore, recommends these options to be expressed as a preference, however, the Committee is invited to give its views on the proposed options and these views will then be passed on to the Executive. Following the Executive, a response on behalf of the Council will be submitted to the Department of Transport.
- 5.8 The Committee will recall that the council is a member of the Cumbrian Concessionary Fares Group and their views will be reported orally to the Group at its next meeting.
- 5.9 This is also an issue which the Local Government Association has asked authorities to submit their response to them so that they can

formulate their own response and it may provide an opportunity to join with other authorities if the council so wishes.

List of Appendices

Appendix “A” – Consultation Questions

List of Background Documents

Department of Transport Consultation Paper – Possible Changes to the administration of Concessionary Travel

List of Consultees

Corporate Team
 Leader and Deputy Leader of the Council
 Chair and Vice Chair of this Committee

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	None
Impact on Sustainability	None
Impact on Rural Proofing	Scheme includes concessionary element of travel vouchers and rail cards.
Health and Safety Implications	None
Impact on Equality and Diversity Issues	None
Children and Young Persons Implications	None
Human Rights Act Implications	None
Section 151 Officer Comments	None – report author
Monitoring Officer Comments	None