



Policy and Resources Committee - 8 November 2010

Concessionary Fares

Summary

This report considers the implications of the the transfer of powers of the transport concession authority from the District Council to the County Council

Attachment(s)

Appendix 1 - Information on concession fare take-up

Appendix 2 - Parishes served by the new Callconnect service

1.0 Introduction

- 1.1 From 1 April 2011, the Council will cease to be a 'Transport Concession Authority' (TCA), and the power will transfer to the County Council.
- 1.2 A TCA must provide a mandatory bus pass concession. It can also enhance the mandatory scheme and/or provide other discretionary schemes, if it chooses to do so.
- 1.3 The County Council's present proposal is to provide the minimum mandatory scheme which will have an impact on present users within East Northamptonshire.
- 1.4 The Department of Transport has suggested district councils may still operate some elements of concessionary fare schemes under their 'well being' powers. This advice does come with a recommendation that authorities should obtain their own legal advice if they wish to provide their own scheme.

2.0 History of Concessions in East Northamptonshire

Date	Concession
Pre 2000	Council provided travel tokens and subsidised school bus passes for 16 to 18 year olds only
April 2000	Central Government introduced statutory half-fare bus pass
April 2002	Men became eligible for concession from age 60 (previously 65)
April 2006	Central Government introduced statutory free-fare bus pass (for district wide travel only)
April 2007	Council joined countywide £1 fare scheme
April 2008	Central Government introduced national free-fare bus pass
April 2011	TCA powers pass to County Council

3.0 Current scheme

- 3.1 The Council currently operates three concessionary fare schemes:
 - 1) The mandatory national bus pass, with additional discretions:
 - Pre 9.30a.m. travel
 - Companion travel for people with certain disabilities
 - 2) Alternative transport tokens scheme
 - 3) 16 to 18 year student travel scheme

3.2 Take-up for 2010 is as follows:

Concession	Total
Bus Pass	7,907
Disabled with Companions	80
Students	166
Travel Tokens	4,323

4.0 Implications of the proposed County Council scheme

4.1 The proposed County Council scheme will see the remove of all the discretionary elements of the present schemes operated by this Council.

4.2 This will mean:

- No travel tokens for those who prefer an alternative to use on taxis and community transport. Potential impact on local businesses. Taxi operators and community transport could see their business reduced.
- No pre 9.30 a.m. travel - some rural routes only offer a morning service before this time.
- No companion travel. This will affect around 80 people in our district.
- No student travel scheme (only operated by ENC within the County)

5.0 Future bus pass scheme administration

5.1 The County Council proposes to use its library service to administer their scheme.

6.0 Financial implications

6.1 The various schemes current cost about £580,000. The current budgeted expenditure in 2010/11 is:

Concession	Budget for 2010/11
Transport Tokens	£226,000
Student Travel	£26,000
Bus Pass	£328,000

6.2 The Council currently receives a specific grant of £256,500 towards the funding of the mandatory bus pass scheme. The net cost of both the bus pass and discretionary schemes to the Council is therefore estimated at £323,500. It has previously been assumed that the Council would be able to save this sum on the transfer of the function to the new TCA

6.3 However the Government provide additional financial support through our Revenue Support Grant. The amount we currently receive within our RSG for transport concessions is impossible to identify. The Government has consulted on a number of methods of redistributing RSG from the current TCAs to the new TCAs. The amount of grant lost by the Council is assumed, in our Medium Term Financial Strategy (MTFS), to be about £300k although the various options used in the consultation, over 40 different options, provide a range from about £71,500 to £1.2m.

6.4 The current MTFS has assumed therefore the transfer of this function the will be roughly cost neutral with savings of £323k in our net expenditure offset by the loss of RSG income of £300k. Retaining a discretionary Scheme, such as the tokens, will require the Council to commit additional resources within the MTFS which will increase the budget gap and in turn will require further savings to be identified elsewhere in the budget.

7.0 Consultation and Equality Impact Assessment

- 7.1 Recent Ombudsman cases have highlighted the need to consult before deciding on changes to transport concessions. A full Equality Impact Assessment will also be needed.
- 7.2 A joint consultation exercise is being undertaken by W S Atkins Plc on behalf of the County Council, East Northamptonshire Council, Daventry District and the Borough of Wellingborough.
- 7.3 A copy of the consultation findings and Equality Impact Assessment will be sent to Members as soon as they are available.

8.0 Bus services in the rural north

- 8.1 In October 2009, the County Council introduced a CallConnect bus service for the rural north of our district. The service connects part of our district with the towns of Stamford and Peterborough. Bus journeys are pre-booked, and operate Mondays to Saturdays from 7.00 to 19.00. Bus passes can be used on this service after 9.30am.
- 8.2 Appendix 2 shows the parishes currently served. Early next year, it is hoped to extend the service to Deene and Deenethorpe and, subject to finance, to eventually bring the service down as far as Oundle and possibly Thrapston with a connection to Corby.
- 8.3 The development of this new service will go some way towards mitigating the effects of the County not offering an alternative travel token scheme or providing a pre 9.30 start to their scheme.

9.0 Local Government Act 2000 – Powers to promote economic, social and environmental well-being

- 9.1 The Council has powers under the above act to promote well-being, and this could take the form of continuing to provide some form of transport concession. However, if members wished to pursue this option, Counsels opinion should be obtained to ensure the powers are being used legally.
- 9.2 The power does not extend to the ability to charge for the service provided. At present we provide £48 transport tokens for a £10 charge. Charging helps deter customers from taking their entitlement but not using them.
- 9.3 If the Council wishes to create its own transport concession, it would no longer be able to use the Transport Acts to limit take-up. Currently, transport tokens are offered as an alternative to a bus pass and the provisions of the Transport Act 2000 allow this. Without this power, customers could claim a bus pass and still be entitled to transport tokens.

10.0 Options appraisal

- 10.1 From April 2011, the Council is no longer legally bound to provide a concessionary bus pass. It will no longer have any powers under the Transport Acts to offer an alternative concession in the form of transport tokens or provide subsidised student bus passes.
- 10.2 The responsibility to provide concessionary fares will lie solely with the County Council from 1 April 2011.
- 10.3 If Members wish to continue to offer a concessionary scheme there are two routes the Council might take:
- Request the County Council to extend their scheme. The County Council

could refuse and, if it agreed, any additional expenditure would be borne by this Council.

- Seek to create a new scheme under well-being powers.

10.4 Members will be aware that the present medium term financial plan does not provide for expenditure on any concessionary fares schemes after 1 April 2011.

10.5 There are five options Members can consider:

1. Leave concessionary fares to the County Council from 1 April 2011
2. Create a transport token scheme, under well-being powers, operated either by this Council or the County Council
3. Fund additional discretions through the County Council (pre 9.30 start & companion travel)
4. Fund a 16 to 18 year old student travel scheme
5. Enhance funding for community transport

10.6 Only option 1 does not have a cost to the Council. A scheme under option 2 is likely to cost between £250,000 and £500,000 depending on the scheme design and take-up. Option 3 cannot be costed at present. Option 4 will be £30,000. Option 5 would depend on the amount Members wished to allocate. There could also be staffing costs associated with options 2 to 4.

11.0 Recommendation

11.1 Members are recommended to determine the option they wish adopt.

Implications:	
Corporate Outcomes or Other Policy/Priority/Strategy	
Good Quality of Life	<input checked="" type="checkbox"/> Good Reputation <input type="checkbox"/>
Good Value for Money	<input checked="" type="checkbox"/> High Quality Service Delivery <input checked="" type="checkbox"/>
Effective Partnership Working	<input checked="" type="checkbox"/> Strong Community Leadership <input type="checkbox"/>
Effective Management	<input type="checkbox"/> Knowledge of our Customers and Communities <input type="checkbox"/>
Employees and Members with the Right Knowledge, Skills and Behaviours	<input type="checkbox"/>
Other:	<input type="checkbox"/>
Decision(s) would be outside the budget or policy framework and require full Council approval	<input type="checkbox"/>
Financial	There are no financial implications at this stage <input type="checkbox"/>
	There will be financial implications – see paragraph 10.6 <input checked="" type="checkbox"/>
	There is provision within existing budget <input type="checkbox"/>
	Decisions may give rise to additional expenditure at a later date <input type="checkbox"/>
	Decisions may have potential for income generation <input type="checkbox"/>
Risk Management	An assessment has been carried out and there are no material risks <input type="checkbox"/>
	Material risks exist and these are recorded at Risk Register Reference – 496 & 532 inherent risk score – 4&6 residual risk score – 2&3 <input checked="" type="checkbox"/>
Staff	There are no additional staffing implications <input type="checkbox"/>
	Additional staff will be required – see paragraph 10.6 <input checked="" type="checkbox"/>
Equalities and Human Rights	There will be no impact on equality (race, age, gender, disability, religion/belief, sexual orientation) or human rights implications <input type="checkbox"/>
	There will be an impact on equality (see categories above) or human rights implications – see paragraph 7.0 <input checked="" type="checkbox"/>
Legal	Power: Transport Acts 1985 & 2000, Concessionary Bus Travel Act 2007 Local Government Act 2000
	Other considerations:

Background Papers: None					
Person Originating Report: Julian Derham					
Date: 15 October 2010					
CFO		MO		CX	

(Committee Report Normal Rev. 21)

Bus Passes issued (by Parish)

Parish	No.	Parish	No.
ALDWINCLE	25	THURNING	10
APETHORPE	13	TITCHMARSH	37
ASHTON	10	TWYWELL	17
BARNWELL	26	WADENHOE	13
BENEFIELD	49	WAKERLEY	9
BLATHERWYKE	8	WARMINGTON	163
BRIGSTOCK	171	WOODFORD	173
BULWICK	13	WOODNEWTON	47
CHELVESTON	39	YARWELL	38
CLOPTON	10		
COLLYWESTON	40		
COTTERSTOCK	9		
DEENE	4		
DEENETHORPE	11		
DENFORD	16		
DUDDINGTON	17		
EASTON-ON-THE-HILL	39		
FINESHADE	6		
FOTHERINGHAY	8		
GLAPTHORN	23		
GREAT ADDINGTON	19		
HARGRAVE	30		
HARRINGWORTH	19		
HEMINGTON	2		
HIGHAM FERRERS	861		
IRTHLINGBOROUGH	774		
ISLIP	105		
KING'S CLIFFE	116		
LAXTON	15		
Lilford-cum-Wigsthorpe	0		
LITTLE ADDINGTON	20		
Lowick	9		
LUDDINGTON	2		
LUTTON	7		
NASSINGTON	94		
Newton Bromswold	2		
OUNDLE	733		
PILTON	0		
POLEBROOK	16		
RAUNDS	874		
RINGSTEAD	124		
RUSHDEN	2807		
SOUTHWICK	10		
STANWICK	173		
STOKE DOYLE	4		
SUDBOROUGH	6		
TANSOR	20		
THORPE ACHURCH	0		
THRAPSTON	475		

Travel Tokens (by Ward)

	Total
Barnwell	94
Fineshade	72
Higham Ferrers	355
Irthlingborough	339
Kings Forest	27
Lower Nene	85
Lyveden	74
Oundle	335
Prebendal	60
Raunds	373
Rushden	1785
Stanwick	103
Thrapston	405
Woodford	154
Total	4,261

Parishes served by the Callconnect Service

Apethorpe
Blatherwycke
Bulwick
Collyweston
Duddington
Easton on the Hill
Fineshade
Fotheringhay
Harringworth
Kings Cliffe
Laxton
Nassington
Woodnewton
Wakerley
Yarwell