

Agenda Item No. 11

Title:	Concessionary Fares – New Scheme Arrangements 1 April 2008
Portfolio Holder:	Cllr While – Finance Portfolio Holder
Reporting Officer:	Andy Brown – Financial Accountant
Key Decision:	Yes

Purpose

To inform members on the introduction of the national bus pass concession from 1 April 2008. To seek member's decision on the future of various local arrangements currently in place and the level of concessionary travel within West Wiltshire.

Background

The existing bus pass scheme currently allows the over 60's and the disabled, who are permanently resident in West Wiltshire to travel anywhere to and from the County all day (some restrictions apply to certain bus routes).

This is an improvement on the statutory minimum that has to be provided, which is only off peak travel (after 9.30am) within the travel concession authorities' (TCA) area i.e. the West Wiltshire locality.

West Wiltshire also offers, in addition to the County pass, an either / or alternative concession of a rail exchange order, giving a third off the cost of rail travel, or £30 worth of taxi vouchers for those who are either not living near a bus route or cannot easily access a bus.

The government outlined in its budget in November 2006 that concessionary travel would go national from April 2008. The pass would also need to conform to specific criteria and would need to be an ITSO (Integrated Transport Smartcard Organisation) compliant plastic smartcard.

Key Issues

National Travel from 1 April 2008

From 1 April 2008 the County bus pass will cease to exist and a new national pass will have been issued. The statutory minimum that needs to be provided is off peak bus travel to all national bus pass holders within the TCA locality.

Under the new scheme the TCA is responsible for issuing the new national pass. The scheme is administered on a county wide basis by MCL Ltd, contracted through Wiltshire County Council on our behalf. The contract states that MCL Ltd will be responsible for the production of passes. They have therefore been asked to ensure production and timely circulation of the new national pass for all the Wiltshire Districts by 31 March 2008.

The council has received a grant from the Department for Transport to fund the cost of initial card production and administration. A specific grant is also being made to provide for the cost of increase travel, administration and promotion costs as a result of the bus pass scheme going national.

All Day Travel

The existing Wiltshire pass currently allows pass holders to travel any time during the day, even though the minimum requirement is travel after 9.30am. There are some bus routes that are exceptions to this, and they will only allow travel after 9.00am.

The all day pass is above the statutory minimum requirement, so the council meets the increased cost of providing all day travel. However as this level of concession is offered throughout the County and is generally accepted as the norm by users. It therefore makes sense that this extra concession, i.e. above the statutory minimum, should continue to apply when the scheme goes national.

Local Arrangements

Although the existing scheme is a County wide scheme, within each council there are various local agreements and variations in addition to the already improved bus pass.

The table below highlights what each council offers.

District	Companion Bus Pass	Rail Card	Taxi Vouchers
West Wiltshire	✓	✓	✓
Kennet	✓	x	x
Salisbury	✓	x	x
North Wiltshire	✓	x	✓

All of the above is provided in addition to the statutory minimum the council has to provide, and is done so at its own cost. The budget and number of concessions currently in issue is shown below.

	Number in Issue	2007-08 Forecast Spend	Approx average cost
Bus Pass	14,540	£910,000	£50
Companion Bus Pass	170		£100
Rail Card	3,099	£47,000	£20
Taxi Vouchers	1,261	£30,000	£30

With the scheme going national there is now an option to rationalise the travel concessions in West Wiltshire and bring them in line with national scheme requirements and neighbouring authorities, especially having regard to Local Government Reorganisation.

Rail Cards

Rail exchange orders are issued as an alternative to the bus pass and allow the holder a third off rail fares. No other district offers this alternative. It is anticipated that a large proportion of holders would move across to a bus pass; if the number of rail card holders moving across was more than 30% then there would be an additional cost to the council due to the higher unit cost of the bus pass.

Taxi Vouchers

Taxi vouchers are issued to customers who find it difficult to access a bus due to disability, old age or they do not live along a bus route. Only North Wiltshire District Council offers a similar token alternative. It is likely that only a very small proportion of holders would transfer across to a bus pass due to the reason this alternative is offered.

Companion Passes

Companion passes are issued to those who cannot use a bus unaided. They allow the pass holder and a companion to travel free of charge.

From 1 April 2008 companion passes are not included in the statutory minimum requirements. Therefore, any companion passes that we issue after this date will only allow the companion to travel for free within the County of Wiltshire and not nationally.

The number of companion passes in issue in West Wiltshire is minimal. If the concession was withdrawn there would be a small saving. However there would also be an impact on neighbouring Wiltshire authority pass holders if the concession was withdrawn as they would no longer be able to use their pass in the West Wiltshire area. It has been indicated by other authorities in Wiltshire that they will continue with the companion pass option.

Charges for the re-issue of lost passes

The Council currently charges £3 to cover the costs associated with the re-issue of a lost bus pass. If the pass is stolen and a crime number provided the pass is re-issued free of charge. Charges applied by the other Wiltshire District's are as follow:

North Wiltshire	£1
Salisbury	£5
Kennet	£7

With the introduction of the plastic smartcard the cost of production has increased, therefore the charge for re-issuing a lost pass should reflect this. It is proposed to increase the charge to £5.

Effect on strategies and codes

These are contained in the report.

Risk management implications

There is a risk that the council's image will be dented if they choose to reduce the current concessions on offer. Alternatively there is a risk that West Wiltshire will not be in line with other authorities when the scheme goes national from 1 April 2008 and differential concessions on offer with the transition to one council.

Finance and Performance implications

If the taxi vouchers and rail cards were no longer provided as an alternative there would be a saving of £77,000, however this saving would be wiped out if around 50% of rail card holders transferred to a bus pass. The council would face an increase in costs if more than 50% transferred. It is assumed that no or minimal taxi voucher holders would transfer to a bus pass.

The specific grant funding to cover the increase cost of going national may impact on the council's ability to fund the scheme if the level of grant received is lower than the actual cost.

Due to the uncertainty of the level of grant receivable and the actual cost at this time, it is unsure how this will impact on West Wiltshire. Members will be kept updated through the budget setting process.

Legal & Human Rights Implications

These are contained in the report.

Next Steps

Continue with the move towards national travel in West Wiltshire with effect from 1 April 2008. Following a recommendation by Cabinet, to implement the future local arrangements of other travel concessions within West Wiltshire.

The council is in line to receive a specific grant to fund the increase in take up of passes and travel within West Wiltshire following the move to a national pass. The distribution of the grant, £212m nationally, is currently out to consultation.

Of the 4 options being put forward the council should receive at least £200K and potentially £400K to put towards the additional costs, however the actual cost the council will incur is a major uncertainty.

Recommendations

Members are recommended to:

1. Confirm whether Cabinet wishes to continue with the provision of taxi vouchers and rail cards and with the existing local arrangements for bus travel in West Wiltshire following the move to a national bus pass.
2. To approve the increase in lost bus pass charge from £3 to £5 with effect from 1 April 2008.

Key decision box

Statement of reason for key decision	The decision may change council policy on concessionary travel within West Wiltshire.
Options considered and rejected	As the bus pass is a legislative requirement this option cannot be rejected. All other options are up for consideration.
Date of implementation	Any changed to coincide with the new national scheme coming into effect from 1 April 2008.

Background papers

Concessionary fare files held in Financial Services, room F35.