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**HIGHWAYS AND TRANSPORT SERVICE**

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**CHANGES TO CONCESSIONARY BUS PASS SCHEME**

**Purpose of Report**

1. The statutory national bus pass scheme requires transport authorities to provide a bus pass to elderly and disabled people that can be used from 0930 to 2300 Mondays to Fridays and all day at weekends. Local authorities are empowered to provide enhanced concessions at local expense and in Wiltshire an early morning concession of free travel before 0930 on Mondays to Fridays is provided so that the Wiltshire Bus Pass can currently be used at any time.
2. Due to financial constraints faced by the Council, and the need to prioritise available resources against competing demands, the Council is looking to reduce the cost of the Wiltshire Bus Pass by changing the start of the free travel to 0930.

**Relevance to the Council's Business Plan**

3. The Wiltshire Bus Pass travel concession supports the Council's Business Plan through a range of outcomes linked to the key action to integrate public health at the heart of all public services:

*Outcome 1: Wiltshire has a thriving and growing local economy – Concessionary travel can help local people find jobs which allow them to meet their potential and be self-reliant.*

*Outcome 3: Everyone in Wiltshire lives in a high quality environment*

- It helps people to be able to access open space for work and leisure.
- It is a part of our transport system that supports sustainable transport (i.e. buses) in larger settlements and along Wiltshire's main commuting corridors.
- It helps more people to access jobs, services and facilities in local villages and market towns.
- By encouraging bus use instead of car use it helps people to live in an environment where air quality is at a good level.

*Outcome 4: Wiltshire has inclusive communities where everyone can achieve their potential*

- By making everyday transport more affordable to older and disabled people, fewer people in rural and urban areas are isolated or living in social or financial exclusion.
- It can help people with disabilities and long-term health conditions to have equal access to jobs, services and opportunities.
- It may play a positive role a role in some rural communities that have undesirable levels of social exclusion as a result of their isolation from essential services.

*Outcome 5: People in Wiltshire have healthy, active and high quality lives*

- It contributes to everyone playing an active role in their community by making it more affordable for people to be connected with each other and volunteer to give and receive support.
- By improving affordability of transport it helps people to easily access the services they need.
- It can help some young people with disabilities, learning difficulties or Special Educational Needs to manage the transition into adulthood and access a wide range of supported, independent living and work opportunities.
- By making transport more affordable, it can help more disabled and older people with long term health conditions choose to stay independent and keep living in their own homes.
- Wiltshire's retirement-age population is predicted to increase from 21.5% of the population in 2011 to 29.8% in 2026. Wiltshire already has significantly higher than average numbers of vulnerable adults and older people with learning disabilities, physical impairments and mental health needs. This will place enormous pressure on already stretched resources. Without a new approach these increases are unaffordable.

**Main Considerations for the Council**

4. There are currently 87,000 people in Wiltshire with a bus pass and 5,000 of these (6%) were issued passes because of their disability, the remainder holding passes on grounds of their age.
5. The vast majority of the cost is made up of payments to bus operators to reimburse them for carrying concessionary passengers. Because this is calculated so that the bus operator is no better or worse off than if there had been no concessionary travel scheme, the Council's payment to operators is very much less than the total of bus fares that would correspond to the journeys made – substantially less than half. The reason is that many of the journeys would not be made by bus if the concession did not exist and the passenger had to pay the full fare. However, the amount paid must be justified on these principles alone and so the value of reimbursement cannot be varied as a tool to manage the Council's costs.
6. Savings could be made by changing the Concessionary Travel Scheme from 1 April 2015 so that passes could only be used after 0930 on weekdays. The saving comes about because, if free travel before 0930 is no longer available, not all pass holders who travelled before 0930 will make the same journey at a later time. Depending on the value and usefulness of the journey to each individual, some people will continue to travel at the same time and pay the adult fare (for instance, people going to work), whereas others will decide not to make the bus journey at all and follow some other arrangement. In both of those cases there will be a financial saving to the Council as the need to compensate the bus operator will be reduced.
7. In both cases there will be inconvenience to some users, particularly in more remote parts of the county, where it is necessary to board buses before 0930 in order to reach the nearest town in time for work, business or medical appointments, etc. This could be ameliorated to some degree by applying exceptions to certain services so that passes are accepted before the normal time on those services only, but this would reduce the saving achieved. Such exceptions could be identified by officers based on the availability of alternative journey times for each service. The list would be reviewed from time to time in line with bus service changes. An illustrative list based on the services current in April 2014 is appended (**Appendix 1**).

8. Inconvenience and expense to users could also be reduced by ending free travel before 0900 on weekdays but continuing to allow the extra half hour of free travel between 0900 and 0930. However, this would substantially reduce the possible savings. It would reduce the risk that buses immediately after 0900/0930 could become overloaded, occasioning additional payments from the Council for relief buses, but this risk is judged to be low.
9. The initial estimates of savings assume that the changes will also apply to disabled bus pass users. However, it would be possible to retain all day free travel for this group as such users can be differentiated when the pass is used – they have different coloured passes and different data are encoded on the pass. However, as a group disabled bus pass users make more than twice as many journeys as other users, so although only 6% of passes are issued on grounds of disability, the possible savings would be reduced by 10-12%.
10. The Council already provides many other services for disabled people such as:
  - The Wiltshire Bus Pass +Companion, which allows a disabled person who cannot use buses unaided to take a companion with them at no charge.
  - Taxi vouchers for wheelchair users who do not want a bus pass.
  - The Council includes reimbursement of a number of community transport and Connect2Wiltshire services in the Wiltshire Bus Pass scheme, although they are not within the legal definition of a local bus service and therefore their inclusion is discretionary. This does not exclusively benefit disabled people and would apply to any pass holders subject to the aims of the operating organisation.
  - Blue badges for free parking.
  - Providing transport to day care, school, respite care and other activities, using community transport, taxis, minibuses or wheelchair accessible vehicles.
  - Often such transport also involves providing special seating equipment and staff to travel with the user.
  - Beyond transport, the Council provides various care services (these might be self funded).
11. The Council has carried out a consultation regarding the various options for change outlined in this report and to identify how protected groups would be affected. The consultation took place during August and September 2014 and was open to users, to the public and to interested organisations. A fact sheet and survey form were made available through the consultation pages of the Council's web site and additionally a specially designed document to help organisations respond and an Easy-Read version were made available in the same way. Printed versions of the consultation to be filled in and returned by post were available from council offices and libraries or by phoning the Council. To ensure a good response from bus pass users, printed factsheets and forms were posted to 3,000 bus pass users chosen randomly and including users holding passes both on grounds of age and of disability.
12. The consultation was further publicised by means of a press release, which was widely reported, by placing posters on buses throughout Wiltshire and by directly notifying organisations known to be active in pursuing the interests of older and disabled people. Town and Parish Councils were informed through the "Parish News" electronic newsletter and a briefing note was issued to all Wiltshire Council Members. There was a good rate of response to the consultation with 3,000 replies received. The results of this consultation are reported and analysed in the appendix to the Equality Analysis (**Appendix 2A**).

13. An Equality Analysis has been carried out, taking into account the results of the consultation. The document is appended (**Appendix 2**) and the main conclusions set out below.
14. Existing operators of commercial bus services in Wiltshire were asked separately about the ideas proposed, primarily to identify whether any practical issues might arise with the operation of the scheme. Five operators responded, all operators who also run buses outside Wiltshire and so have experience of the schemes in adjacent counties which have free travel times starting at 0900 or 0930.
15. Two operators preferred the start time of 0930 in order to maximise commercial opportunities on the journey to work. The other three felt that a 0900 start would minimise the risk of overcrowding on the first free bus of the day. One operator was genuinely concerned about overcrowding on the first bus and also that some commercial services rely on concessionary passengers to be financially sustainable and any decrease in passengers would prevent them being continued.
16. No real difficulties were foreseen with having different start times for disabled and older people although it was pointed out that a more complicated scheme has more scope for confusion when passes are shown to the driver. None of the operators identified any other issues that would prevent the operation of any the proposals.

## **Background**

17. There has been a countywide bus pass scheme in Wiltshire since 2000. It was originally introduced under the discretionary powers in the Transport Act 1985 and was at that time a half fare concession available at all times of day. In April 2006 the government made it mandatory for local authorities in England to provide free bus travel for older and disabled people in their local area during off peak hours. In April 2008 it extended this to enable them to travel free on local buses anywhere in England. The Wiltshire Bus Pass Scheme was modified so that it fulfilled the requirements of the national legislation but also retained the discretionary elements allowing free travel in Wiltshire during peak hours.
18. The national bus pass legislation requires transport authorities to provide a bus pass to elderly and disabled people that can be used for free travel from 0930 to 2300 Mondays to Fridays and all day at weekends (so called "off-peak" hours). It also defines categories of people who are eligible, specifies the design of the bus pass and prohibits any charge for issuing or using it. These national specifications are known as the English National Concessionary Travel Scheme. Councils still have discretionary powers to enhance the scheme locally at local expense and in Wiltshire an early morning concession of free travel before 0930 on Mondays to Fridays is provided under these powers, together with free travel on the very few buses running after 2300, so that the Wiltshire Bus Pass can currently be used in Wiltshire at any time. Bus operators are required by the legislation to accept bus passes for free travel under the terms of the Concessionary Travel Scheme published by the Council and the Council is required to reimburse the bus operator so that he is no better and no worse off as a result.

## **Safeguarding Considerations**

19. Any safeguarding issues will be dealt with in existing safeguarding procedures/policies.

## **Public Health Implications**

20. The proposals will affect older and disabled people and these groups would be expected to make proportionately more use of health and medical facilities. Also, these groups would be expected to grow in number in future years, particularly older people, meaning more people will be affected by the changes. Although the changes may bring Wiltshire in line with surrounding counties, these counties do not possess the same rural considerations and older population that Wiltshire has. However, Wiltshire is a more affluent county so more may be able to afford the fares or use alternative transport.
21. Whilst the running of bus services is not directly affected by the proposals, the effect on these groups will be to substantially increase the cost of making bus journeys that start before 0930 on weekdays. This could have an adverse effect on their ability or willingness to access facilities using buses (or access facilities full stop) if they cannot self fund or if the timings of health and other services are not optimal for later buses. Also, having to move more appointments forward in the day may cause timetable congestion problems for healthcare services, such as hospitals and GPs, and also may possibly mean more disabled people and older people having to return during the evening when it is dark.
22. Another impact may be on the volunteer driver (Link) schemes as demand on their services may increase as older people and those with disabilities look for alternative means of transport. The consultation response from Link schemes highlighted that this is a concern.
23. Some possible health and wellbeing implications of these changes could be decreased ability to attend health and wellbeing classes leading to increased health problems such as falls and decreased ability to self care for long-term conditions. Another pertinent possible implication could be increased social isolation due to decreased ability, willingness or time to access facilities or socialise due to having to catch later buses. However, from responses in the consultation, it looks if most effect would be on medical/healthcare appointments. It is difficult to tell how many would be affected, and in what way, but ultimately we would wish to avoid as far as possible an increase in health inequalities in the disabled and ageing population of Wiltshire because of the proposed changes.
24. Hospital transport is provided by the Clinical Commissioning Group (CCG) to patients who qualify in accordance with nationally applicable transport criteria. This transport may be provided by means of ambulance or by reimbursing public transport costs. Under the Prevention and Self Care workstream of the national Better Care Fund initiative work is taking place on transport. This work is co-ordinated by the CCG. Wiltshire Council's Public Health team, Adult Social Care team and the Wiltshire CCG are working together on elements of transport relevant to the vision of the Better Care Plan. Any changes to the bus pass scheme will be relevant to this work and will be fed into the workstream.

## **Environmental Impact of the Proposal**

25. The introduction of free bus passes led to an increase in journeys made by public transport. Whilst most of these extra journeys will continue to be free under the proposals, it is possible that some early morning journeys could be diverted to car travel.

## Equalities Impact of the Proposal

26. This will have an impact on older and disabled groups of people by making early morning bus travel less affordable than at present. The results of the consultation confirm that going to work, and medical appointments requiring early morning journeys are of particular concern. Free travel to hospital and medical appointments are the dominant issue for both the older and the disabled groups. For the disabled group free travel to work is another big concern, and in the younger age groups free travel to education. In the older group shopping is an important use of their free travel, but it is reasonable to assume there is more flexibility to adjust travel times for shopping. Even after adjusting travel times, their position will become no worse than in many other English counties, including all the ones surrounding Wiltshire, where free early morning travel is not available.
27. The matter of whether people are eligible for a free bus pass will not be changed. Whichever option for start time is chosen, the Wiltshire scheme also includes other discretionary provisions not affected by these proposals, namely the provision of +companion passes for disabled users who cannot use a bus unaided, so it will continue to offer more than the national standard. Although people will find their options for free bus travel limited in the early morning, options are proposed to ameliorate this for groups who are expected to be most disadvantaged through exempting services in sparsely served areas or exempting disabled pass holders altogether. Many other counties in England have changed their schemes to exclude early morning travel or never offered it in the first place, so the proposal will not put Wiltshire out of line with general expectations for a concessionary travel scheme in England.
28. Certain rural communities have a very infrequent bus service where there are only a handful of journeys to the local town throughout the day. In this sort of situation, a bus pass user might not be able to defer the free journey until later in the morning because the bus service is too infrequent to offer a suitable journey time. In the consultation, this came out strongly as a theme of the comments that were made, although analysis of the results by community area was inconclusive. There is an option to make exceptions for bus services serving such communities so that free travel is available at an earlier time. Examples of counties with exceptions from their normal start time allowing pre 0900/0930 travel to be free on certain services are:
- Dorset: 81 services are exempt because there is no suitable bus for 60 minutes after 0930.
  - Gloucestershire: 60 services are exempt because there is no suitable bus for 60 minutes after 0930.
  - Worcestershire: 23 services are exempt because there is no suitable bus for 90 minutes after 0930.
  - Devon: 60 services are exempt because there is no suitable bus for 90 minutes after 0930.
29. There is an option to allow free early morning travel to continue for disabled people. That would be a more favourable treatment of that group that goes beyond the national requirement for bus pass schemes, but is within the Council's discretionary powers.
30. It will be necessary to contact existing bus pass users prior to the introduction of any change to explain how the changes might affect them. This will combat any rumours or misreporting about the changes. A standard fact sheet would suffice for all users explaining how their options for travel at different times are affected. However, if all day free travel is retained for disabled users, an alternative communication can be sent to reassure them. Changes would also be made to the documentation for new users sent out with the bus pass.

31. Bus operators are notified of the working of the scheme each year prior to the 1 April and changes would be drawn to their attention at that time. Bus operators have well developed internal procedures to notify all bus drivers of relevant information and officers in the Passenger Transport Unit would actively pursue any reports that the scheme was being misapplied, something that they already do as part of the day-to-day management of the scheme.
32. The conditions and cost of the concessionary bus pass scheme is reviewed annually in consultation with the bus operators. The consultants advising Wiltshire Council on the management of the scheme continually monitor usage, cost and relevant technical or legislative changes. They advise the Council if any areas of concern or opportunities arise. An annual report on the progress of the scheme is produced by the consultants.

### **Risk Assessment**

#### **Risks that may arise if the proposed decision and related work is not taken**

33. The Concessionary Travel Scheme for 2015-2016 will come into effect on 1 April 2015 and will include conditions for pass use and reimbursement to operators. Any change to peak time travel arrangements can only be introduced after a statutory period of notice to operators lasting 56 days. If the change did not come into effect on 1 April 2015 it would reduce the financial saving that could be made in the 2015-2016 financial year.
34. If the required saving is not made in this area, it may be necessary to make it in other areas. Within the Passenger Transport budget a large proportion is required to meet statutory requirements, putting under pressure the areas where the Council has some discretion, such as support for socially necessary bus services.

#### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

35. There is a risk that the later start time may lead to adverse effects on the operation of morning bus services, either by overcrowding on the first bus after free travel is available, or by a reduction in usage leading to the withdrawal of some early morning services. Overall, the experience of other areas and the comments from bus operators suggest that these risks are low and they could be mitigated through existing arrangements, albeit at some cost. There are provisions in the concessionary travel scheme to reimburse operators where additional capacity has to be provided because of the extra demand caused by concessionary travel. If any early morning commercial services were withdrawn or cut back, the Council would apply its existing policy regarding support of socially necessary services which is aligned to corporate and transport objectives and set out in the Local Transport Plan. Services are categorised according to the functions they perform and priority is given to maintaining appropriate service levels for each category, subject to value for money criteria being met.
36. There is a risk that if too many exceptions are made the service will be unable to make the financial savings required and that the scheme will become overly complicated. This can be mitigated by being clear on the exceptions and ensuring that they only apply to a small number of routes where buses are not available in a relatively short period of time after 0900 or 0930 as determined.

### **Financial Implications**

37. The budgeted cost of the concessionary travel scheme to Wiltshire Council is £4,599,000 in 2014/15.

38. Savings of at least £242,000 per year could be expected if passes could only be used after 0930 or savings of at least £133,000 per year could be expected if passes could be used after 0900.
39. If exceptions were made for earlier journeys on routes where there would be especial inconvenience for bus pass users in remote areas, there would be a reduction in the possible savings so that the savings above would be at least £197,000 or £99,000 per annum respectively.
40. The savings have been identified by consultants (ITP) who currently provide support on the concessionary travel scheme. Assumptions on the effect of journeys made plus experience from other local authorities were used as the basis for calculating savings on the two proposed changes. A level of risk is associated with estimates of savings and the savings figures quoted are from the low end of the range. The actual savings from any changes to the concessionary fare scheme would be highlighted through the budget monitoring process.
41. These figures are based on the times of use being the same for both older and disabled people. If it were decided that disabled people should continue to enjoy free travel at any time, then the estimates of savings must be further reduced by up to 12%. This figure is subject to greater uncertainty than the figures above because the use made of the bus pass varies enormously between different users. Although the proportion of disabled bus pass holders is only around 6% of the total, studies elsewhere show that as a group they make more than twice as many journeys as older pass holders and the number of journeys is the main factor in cost variation.

### **Legal Implications**

42. Under the provisions of the Transport Act 2000 (the Act), as amended, the current statutory concession consists of guaranteed free off-peak travel for older and disabled people on all local buses anywhere in England. Free bus travel is available for those eligible from 0930 until 2300 on weekdays and all day at weekends and on Bank Holidays. Those eligible are specified in the Act and in regulations. In addition to this, local authorities may provide further discretionary concessions in accordance with their local priorities.
43. The options contained within this report are to either limit or end the existing discretionary concession of free bus travel for these groups in Wiltshire before 09.30. It is proposed to either limit free bus travel until after 09.00 or to adopt the statutory time of 09.30. There are also options concerning which eligible groups are to be affected by any change and whether there will be excepted routes.
44. As this is a discretionary concession, it is open to the Council to make changes. However, in doing so the Council must have due regard to the Public Sector Equality Duty (PSED) set out at Section 149 of the Equality Act 2010, and in particular have due regard to the need to remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic. Age and disability are both protected characteristics. In considering the proposals set out in the report, and in making a decision on them, it is essential that their effect on equality generally and on these groups in particular is considered. The report provides information and analysis to enable this to take place. An equality analysis has been carried out; Members are asked to note the equality implications set out from paragraph 26 onwards and the full equality analysis (attached as **Appendix 2**).



## **Options Considered**

45. Some options mentioned in the consultation or otherwise cannot be considered because they are not permitted by the governing legislation. These include:
- A charge for issuing the bus pass (or a request for a “contribution”).
  - The bus operator charging at the time of travel (e.g. half fare or a flat rate).
  - Reducing the availability of free travel at weekends.
  - Further restricting the categories of people who are eligible (e.g. changing the age of eligibility to be older than the national standard or introducing means testing).
46. The alternative weekday start times of 9am or 9.30am are being considered for the following reasons:
- 9.30am on weekdays is the start of the “off peak” period which is the statutory minimum, and choosing it would maximise the possible savings.
  - 9am on weekdays is being considered because most rural services subsidised by the Council start between 9am and 9.30am, so choosing 9am would minimise the number of routes where it might be necessary to allow an earlier start time as an exception, whilst still making a significant cost saving.
47. Either of these times would bring Wiltshire more into line with neighbouring local authorities, none of whom still permit free travel at any time. Free travel already starts at 9.30am in Swindon, Dorset, Hampshire and Gloucestershire; and at 9.00am in Bath and North East Somerset, South Gloucestershire and West Berkshire.
48. The options to be considered are as follows:
- (i) To alter the scheme to discontinue free travel before 0930 on weekdays, or
  - (ii) to alter the scheme to discontinue free travel before 0900 on weekdays.
  - (iii) To decide whether the alteration (i) or (ii) above should apply to older people and disabled people or just to older people.
  - (iv) To decide whether exceptions will be allowed where necessary because the bus service would otherwise provide unacceptably limited journey opportunities after free travel starts. (To be determined by officers based on the availability of alternative journey times for each service and reviewed from time to time in line with bus service changes.)

## **Reason for Proposal**

49. To achieve savings of £180,000 from review of free bus travel before 0930 by elderly and disabled bus pass holders, as identified in the financial plan for 2014-2015.
50. Modifying the scheme so that free travel is available from 0930 onwards on weekdays will maintain the level of service guaranteed under the national bus pass scheme, whilst maximising the financial savings. The Wiltshire scheme will still provide the extra facility for people who cannot use buses unaided to take a companion free of charge.
51. There are options that could be applied within Wiltshire to start free travel at 0900, or to make exceptions for disabled users or rural services, These would partially address the impacts on protected groups but there would be significant reductions in the financial savings that could be achieved.

## **Proposal**

52. To alter the scheme to start free travel from 0930 on weekdays, except where buses are very infrequent as explained in the report
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### **The following unpublished documents have been relied on in the preparation of this Report:**

Consultation responses

Measuring the cost of Pre 0930 concessionary travel in Wiltshire – report by ITP consultants