

CONCESSIONARY FARE SCHEME FOR YOUNG PEOPLE**1. INTRODUCTION**

Cabinet Committee at its meeting on 1st May 2007 considered the report commissioned by the County Council in 2006, asked for fully-costed options for a Nottinghamshire Scheme to be presented to this meeting in addition to details of other successful schemes in England.

2. BACKGROUND

- (i) The JMP report “Concessionary Travel for Young People in Nottinghamshire” was received in January 2007. This presented three options for a scheme with costs ranging from £0.85M to £2.45M. The number of young people eligible, aged 11-19 years, would be between 56,000 and 83,000; with the actual costs determined on taken up and usage of the travel pass.
- (ii) In Nottinghamshire there is currently a confusing mix of support ranging from commercial concessions, support from colleges and the County Council’s Post-16 Scheme which provides a “half fare pass” on payment of £99.00. The scheme used by 770 students from a possible 8,000, therefore, supports about a third of the actual fare. There are 385 students who have a pass which is only valid for the journey to and from school/college. Reimbursement costs to the operators for the revenue foregone is offset by sales of season tickets (174 students) on the supported bus service network. 211 students receive a grant of £150.00 towards their travel costs in lieu of a half-fare pass; the £150.00 is the average amount that would have been paid to the operators for the revenue foregone. There is no additional support for students from low-income families who would be entitled to a maximum weekly payment of EMA, £30.00.

3. OTHER SCHEMES

- (i) As budget reductions take effect many local authorities have withdrawn or reduced support for travel especially for young people in the 16-19 age group. However, there are some very good examples of successful schemes which can be summarised as follows:-

DERBYSHIRE B LINE CARD

This scheme provides half-fare travel for 14-18 year olds in full-time education 24/7 (under 14’s travel at the reduced commercial child fares); on bus and train services starting or finishing in the County. There are currently 54,000 card holders. The scheme costs about £1.5M a year. The card acts as a proof of age card and also offers

discounts at local retailers. There is a dedicated website which also acts as a forum for young people to discuss current issues.

SUFFOLK EXPLORE CARD

This scheme is available for all 5-19 year olds whether or not they are in full-time education. Of the 94,000 eligible, 52,000 young people hold a card. The card offers a 50% discount on all adult fares and season tickets 24/7. The card is most popular with the older age group (16-19 years) and acts as a proof of age card and offers discounts at retailers. The scheme costs about £1.3M a year split equally between reimbursement to operators and marketing/ management.

NOTTINGHAM CITYCARD (subject to approval)

This card will offer discounted travel for young people entitled to free school meals, on bus services for daily travel up to 21:45; it will also be used for access to other services and discounts at retailers. The scheme is estimated to cost £600K per year and be available for 13,000 young people in the city.

WEST SUSSEX 3-IN-1 CARD (September 2007)

The 3-in-1 'West Sussex Your Card' will offer quarter-fare travel for under 16's and half-fare for the 16-19's. It will also act as an ID card and offer discounts at retailers. The card, available 24/7, will be available for young people resident in West Sussex and in full-time education (12 hours of guided learning). There is no charge for the pass but £12.00 is charged for a replacement. A special website 'YourspaceWestSussex' is available giving information and other discounts. It is estimated that 30,000 students will take up the pass in the first year and costs are estimated as £1.5M to £3M (this includes £1M for additional bus services).

- (ii) The main objectives of all these schemes are to promote public transport, reduce the use of the car and make costs affordable for all families irrespective of the school or college the young person attends.

4. OPTIONS FOR A NOTTINGHAMSHIRE CARD

- (i) In Nottinghamshire most operators offer discounts for young people under 16, ranging from half-fare, two-thirds fare, day and weekly tickets. Apart from day or weekly tickets there are no concessions for the 16-19 age group. This leads to confusion and a 'post-code' lottery. Many young people in rural areas specifically face long journeys and high costs to access learning or training. The options available for a 11-19 years of age scheme are:-

		Eligible students
(A) Free travel for (all students in full time education)	£9.0M	120,000
(B) Quarter-fare travel	£4.5M	
(C) Half-fare travel all tickets and a new weekly ticket		
(C(i)) Students only	£1.1M	57,000
(C(ii)) Students + unemployed	£1.9M	73,000
(C(iii)) All groups	£2.5M	84,000

The above costs include administration and are based on the revenue foregone by the transport operators, it assumes they will retain existing discounts for the under 16's or improve them. No formal discussions have been held with the operators. To include the 19 year olds the scheme would have to be arranged under our well being powers and not the 1985 Transport Act powers which restricts the age to 18. There are significant financial risks attached to concessionary fares schemes. The more successful the scheme, the more it costs, but value for money improves. It is anticipated that a "NOTTS" card would be free on application but a charge made for a replacement. A charge for the initial issue could achieve income of £150K (30,000 cards) but this could suppress demand for entry to the scheme. Any risks have to be considered by emphasising the scheme's wider benefits in terms of life-style changes and opportunities for young people.

5. CONCLUSIONS

A concessionary fare scheme will bring significant benefits for young people in Nottinghamshire enabling them access to learning and services, whilst achieving benefits for the wider community. A scheme will contribute towards the sustainable school travel strategy, contribute towards choice, the 14-19 strategy and the extended school day.

If the Council decides to pursue a scheme then significant further work will be necessary in terms of consulting schools/colleges, young people, parents and the transport operators, not least negotiations on reimbursement and scheme type.

Given the current budget situation it would be advisable to adopt the lowest cost option (C(i), £1.1M a year if funding is available.

6. WAY FORWARD

Cabinet Committee are asked to consider:

- (i) should a scheme be pursued;
- (ii) scheme type and eligible young people;
- (iii) should there be a charge for the card;
- (iv) how can the scheme be funded;
- (v) implementation date, 2008 or 2009.

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