

REPORT OF CABINET MEMBER FOR TRANSPORT AND HIGHWAYS

NOTTINGHAMSHIRE CONCESSIONARY TRAVEL SCHEME 2012 / 2013

Purpose of the Report

1. To seek approval for the Nottinghamshire Concessionary Travel Scheme for 2012 / 2013, including the discretionary additional entitlements, publication of the scheme notice on 3 March 2012 and the proposed funding (subject to Full Council approval in February).
2. To seek Cabinet approval to grant delegated power for the Service Director for Transport, Property and Environment to agree the final reimbursement arrangements and associated financial commitments from 1 April 2012 in conjunction with the Cabinet Member for Transport & Highways, the Cabinet Member for Property and Finance and the Service Director for Finance.
3. To update Cabinet on the management of the Nottinghamshire concessionary travel scheme since it became the County Council's duty on 1 April 2011.

Key Decision

4. This report leads to a Key Decision as expenditure of more than £1million would be incurred and there would be a significant effect on communities in two or more electoral divisions in the County Council area. Notice of intention to make the decision was published in the County Council Forward Plan on 11 November 2011. This decision falls under sections 1.1.1 and 1.1.2 of the Constitution with the delegated authority as detailed in TH4.

Information and Advice

5. Since 1 April 2011 the County Council has been a Travel Concession Authority (TCA) and has the duty to provide free travel on local bus services for the holder of an English National Concessionary Travel Pass. Free travel is available between 0930 and 2300 weekdays and all day at weekends and on bank holidays. Additional discretionary travel entitlements are permitted but require local funding.
6. The County Council is responsible for reimbursing transport operators for all statutory free concessionary travel whereby the holder of a valid English concessionary travel pass boarded within the administrative boundary of Nottinghamshire irrespective of which English Travel Concession Authority (TCA) issued the pass. The duty to issue a notice of the proposed scheme by 1 December 2011 was fulfilled and a copy of this notice and the report

approved by the Cabinet Member for Transport & Highways are available as background papers. The final scheme notice must be issued by 3 March 2012 to enable the scheme to commence on 1 April. This notice must detail scheme entitlements and reimbursement arrangements.

7. The transport operators have a duty to accept travel passes on the local bus services they operate. Travel is permitted under the terms of carriage of each operator.
8. Reimbursement is calculated to ensure that the transport operator is “no better or no worse off” as a result of carrying the concessionary passengers. The Department for Transport (DfT) has issued guidance to assist with these calculations. Although it is not mandatory to use this guidance it is the intention to use it as the basis of negotiations with transport operators which are currently underway and to minimise the risk of any appeals against the level of reimbursement. A small number of services, mainly rural shopper, market day or infrequent services, do not fall within the scope of the guidance and a local methodology will be used to calculate reimbursement for these services.
9. The actual costs of the scheme will be determined through passenger data, the final reimbursement agreements with the operators and the subsequent demand for travel. At present there are 175,000 Nottinghamshire pass holders and the County Council makes reimbursement of £10M to transport operators for approximately 11 million journeys per annum, although as mentioned in paragraph 6 above there is no direct correlation between the number of pass holders in Nottinghamshire and the total number of journeys for which the County Council reimburses the operators.

Discretionary Travel Entitlements

10. Additional travel entitlements are currently offered using powers from Section 93 of the Transport Act 1985. It is proposed that the discretionary entitlements will continue which provides a companions facility and discounted travel on the tram. These additional entitlements are only available for holders of concessionary travel passes issued to Nottinghamshire residents and for companions trips which commence in Nottinghamshire. The cost of these additional travel entitlements is estimated at £408k in 2012/13. Passes with the additional companions entitlement are issued to people who are blind, have a severe walking disability or a severe learning disability and would have difficulty travelling alone. The pass allows another person to travel with the pass holder at the same discounted rate for all journeys commencing in Nottinghamshire.

Update on the Nottinghamshire Scheme 2011/12

11. As mentioned in paragraph 5 above the County Council has been responsible for the Nottinghamshire Concessionary Travel Scheme since 1 April 2011. Although previously involved in a partnership arrangement with the District Councils in a scheme management role the requirement to process applications and issue travel passes was a new area of service provision for the County Council. The new responsibilities were successfully transferred to the County Council in March 2011.

12. A new range of application forms has been successfully introduced and widely distributed through the Customer Service Centre (CSC), libraries, District Council offices and many more outlets. A copy is also available for download on the County Council website.
13. Approximately 90% of Nottinghamshire residents who qualify on age currently hold a concessionary travel pass. Customer enquiries are initially handled by the CSC with on average 1000 calls being received per month. In the period April to November 2011 a total of 7042 passes were issued of which 3540 were new applications on age grounds, 747 new applications on disability grounds and 2755 were replacements for either lost, damaged or stolen passes.

Other Options Considered

14. No other options are available for the national scheme as the provision of concessionary travel for elderly and disabled people is a statutory duty.
15. The Nottinghamshire scheme also includes the tram concession which is contractual and cannot be withdrawn without cost. The withdrawal of the companion's provision would result in many people, as detailed in paragraph 10, who currently benefit from this entitlement being housebound and unable to access key services without the support of their companion.

Reason/s for Recommendation/s

16. The recommendations ensure that the County Council meets its statutory duty whilst continuing to provide a wide range of travel opportunity and choice for the residents of Nottinghamshire. The need for the delegated authority in recommendation 2 ensures that the County Council can issue the statutory notice for the scheme and agree reimbursement levels by the 3rd March 2012.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

18. The cost of reimbursement to transport operators (for statutory and discretionary entitlements) and scheme management is estimated to be £10.5M in 2012/2013. As detailed in paragraph 9 the final costs will be subject to agreements with transport operators and the subsequent demand for travel during 2012/13. Detailed monitoring of the patronage data will be undertaken on a regular basis and any variation to predicted costs will be reported. Although the revenue budget for 2011 / 2012 is £9.729M an additional budget pressure of £771,000 has been identified for 2012 / 2013 to meet the cost of the Nottinghamshire concessionary scheme including the travel entitlement on the tram.

RECOMMENDATION

- 1) Cabinet approves the Nottinghamshire Concessionary Travel Scheme and proposed funding (including discretionary entitlements) for 2012 / 2013 and publication of the scheme notice on 3 March 2012, subject to recommendation 2 and Full Council budget approval.
- 2) Cabinet grants delegated power for the Service Director for Transport, Property and Environment to agree the final reimbursement arrangements and associated financial commitments from 1 April 2012 in conjunction with the Cabinet Member for Transport & Highways, the Cabinet Member for Finance & Property and the Service Director for Finance.

COUNCILLOR RICHARD JACKSON
Cabinet Member for Transport and Highways

For any enquiries about this report please contact: Mark Hudson – Group Manager, Transport & Travel Services

Constitutional Comments ([SHB 02.11.11])

19. Cabinet has power to decide the Recommendations.

Financial Comments ([MA 13.12.11])

20. The revenue budget for the 2011 / 2012 concessionary fares scheme is £9.729M, and an additional budget pressure of £771,000 has been identified for 2012 / 2013, giving a total of £10.5M. The budget pressure will be considered as part of the final decision on the budget for 2012 / 2013 to be taken at Full Council in February 2012, and subject to approval, it is anticipated that the £10.5M should meet all costs associated with the scheme.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Nottinghamshire Concessionary Travel Scheme Notice - 1 December 2011
- Department for Transport Reimbursement Guidance version 3.1 dated 29 November 2011.
- Report to the Cabinet Member for Transport & Highways dated 14 November 2011.

Electoral Division(s) and Member(s) Affected

All