

14 June 2012**Agenda Item: 10****REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY AND
ENVIRONMENT****NOTTINGHAMSHIRE CONCESSIONARY TRAVEL SCHEME 2012 / 2013****Purpose of the Report**

1. To update Committee on the operational and financial aspects of the 2012 / 2013 Nottinghamshire Concessionary Travel Scheme for Elderly and Disabled Persons.

Information and Advice

2. In April 2011 the County Council became 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. The County Council continues to provide additional travel entitlements both on the tram and for companions to travel with people who have particular disabilities as detailed in paragraph 9 of this report. These enhancements will cost approximately £408k in 2012/13 but are a huge benefit to qualifying residents especially during the current difficult economic situation.
3. The County Council is responsible for reimbursing the bus 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 TCA issued the pass. The statutory scheme notices were issued on 1 December 2011 and 3 March 2012 to enable the scheme to commence on 1 April. These notices, which are available as background papers, detail scheme entitlements and reimbursement arrangements.
4. The bus 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.
5. Reimbursement to transport operators 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) issued guidance to assist with these calculations. Although it is not mandatory to use this guidance it was used

as the basis of negotiations and subsequent agreements with the operators. Using this methodology minimises the risk of any appeals against the level of reimbursement, which can be a very costly process. 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 was used to calculate reimbursement for these services.

6. There are 21 operators currently participating in the Nottinghamshire scheme of which 16 are bus operators, 1 tram operator and 4 community transport schemes. Following successful negotiations 18 operators have signed a two year fixed reimbursement agreement with the County Council for 2012/13 and 2013/14 thus enabling the County Council to manage and deliver the scheme over the next two years within the available funding. The agreement includes review clauses should higher than anticipated patronage variations occur or significant network changes are introduced. Detailed data monitoring will be undertaken during the agreement period to ensure that levels of patronage and operated mileage remain within the agreed parameters. The three remaining operators will be reimbursed on an actual usage basis from patronage data supplied. Should a new operator start services in Nottinghamshire a review of their patronage and mileage would be undertaken and impacts on any existing transport operator's network / patronage would be reviewed in accordance with the agreed criteria. Regular update reports regarding data will be submitted to Committee for consideration.
7. At present there are 175,000 Nottinghamshire pass holders of which 164,000 qualify on age and 11,000 on disability criteria. Based on the latest population statistics there is approximately 89% take up of passes on age grounds from eligible Nottinghamshire residents.
8. The County Council currently reimburses operators for approximately 11 million journeys per annum at a revenue cost of £10.7m per annum including management costs. As this is a demand led service it is difficult to forecast actual usage so regular monitoring is essential so that funding can be managed. Additional budget pressures of £771k have already been identified for the current financial year.

Discretionary Travel Entitlements

9. Discretionary travel entitlements are currently offered using powers from Section 93 of the Transport Act 1985 which provide 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. 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. Of the 11,000 passes issued to disabled holders 2,800 include the discretionary additional companions travel entitlement which the County Council has kept despite the difficult financial choices currently being faced. This discretionary entitlement is worth an additional £60 per annum to each of the pass holders.

Application, Pass Issue and Replacement

10. A full 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. It is envisaged that in the future applications will be made online.
11. Customer enquiries are initially handled by the CSC with about 1000 calls being received monthly. Between April 2011 to March 2012 a total of 10,801 passes were issued of which 5,303 were new applications on age grounds, 1,082 new applications on disability grounds and 4,416 were replacements for either lost, damaged or stolen passes. A charge of £10.00 is made for the replacement of lost passes. Re-issue of stolen cards and expiring cards is provided free of charge.
12. When passes were first issued at the launch of the English National Concessions Scheme in 2008 they were given the maximum 5 year life. Approximately 115,000 passes are due for replacement by 31 March 2013. Planning for this process is well advanced and all current pass holders will receive their new pass free of charge during March 2013. It is anticipated that the new passes will have a range of expiry dates so that future replacement programmes can be undertaken on a rolling renewal basis. The cost of the replacement passes is covered in the current budget provision.

Other Options Considered

13. The provision of the national concessionary travel scheme for elderly and disabled people is a statutory duty. The County Council has continued its £408k investment in the discretionary elements of the scheme as these ensure that residents with mobility difficulties can access key services and have an enhanced choice of travel modes.

Reason/s for Recommendation/s

14. To keep Members informed about the performance of the Nottinghamshire Concessionary Travel Scheme.

Statutory and Policy Implications

15. 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.

Implications for Service Users

16. The provision of the scheme enables users to access key services and facilities across the County and England thus improving their quality of life and helping with their transport costs.

Financial Implications

17. The detailed and successful negotiations with the transport operators have led to agreements being reached which will deliver the Nottinghamshire Scheme within the budget available.

RECOMMENDATION

- 1) The report be noted.

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For any enquiries about this report please contact: Mark Hudson – Group Manager, Transport & Travel Services or Dave Bennett, Commissioning and Concessionary Travel Manager

Constitutional Comments (NAB 15.05.12)

18. This report is for noting only and therefore no legal issues arise at present.

Financial Comments (DJK 15.05.12)

19. The Concessionary Fares revenue budget of £10.5 million for 2012/13 is currently forecast to fully fund the scheme's requirements; pending any additional patronage claims that may be made. It should be noted that the funding of the scheme is largely met by Central Government allocation of £9.7m; with the balance, the discretionary and management elements, met by the County Council Revenue Budget.

The cost of pass replacement has also been provided for and will be utilised by March 2013.

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 Scheme Notices dated December 2011 and March 2012.
- Department for Transport Reimbursement Guidance version 3.1 dated 29 November 2011.

Electoral Division(s) and Member(s) Affected

All