



5 January 2022

Agenda Item:11

REPORT OF THE SERVICE DIRECTOR, PLACE & COMMUNITIES

NOTTINGHAMSHIRE CONCESSIONARY TRAVEL SCHEME ARRANGEMENTS FOR 2022 / 2023

Purpose of the Report

1. To seek approval for the Nottinghamshire Concessionary Travel Scheme (NCTS) for 2022/2023, publication of the final scheme statutory notice on 3 March 2022 and the proposed funding (subject to Full Council budget approval in February 2022).
2. To seek approval to grant delegated power for the Service Director for Place & Communities to agree the final reimbursement arrangements and associated financial commitments for the statutory NCTS from 1 April 2022 in conjunction with the Chairman and Vice Chairman of the Transport & Environment Committee and the Head of Highways & Transport.
3. To seek approval to consult on the Council's future approach to the tram concession arrangements. A further paper to Committee will follow the consultation.
4. To seek approval to continue with the Council's additional discretionary elements of the scheme from April 2022, which are estimated to cost £1.028m, pending the outcome of the consultation on the tram concession.

Information

5. Within the Nottinghamshire Plan, transport is highlighted as an important part of achieving a 'healthy, prosperous and greener future for everyone'. To help realise this vision; the Council provides concessionary travel for Nottinghamshire's elderly and disabled residents, enabling those residents to access work, training, health, shopping, and leisure facilities.
6. The Council has been a Travel Concession Authority (TCA) since April 2011 and has the duty to provide free travel on local bus services for holders of a valid English National Concessionary Travel Pass (ENCTS) for journeys that commence within the Council administrative boundary. Free travel is available between 0930 and 2300 weekdays and all day at weekends and on bank holidays anywhere in England.
7. Concessionary travel passes for bus use are available to those who qualify on the grounds of age or disability. The age of entitlement is gradually being increased, for both men and women, in line with the rise in state pension age. At present there are approximately 153,400 Nottinghamshire pass holders.

8. The eligibility criteria for a bus concessionary travel pass on grounds of disability are defined in legislation and summarised below as a person who:
 - a. Is blind or partially sighted
 - b. Is profoundly or severely deaf
 - c. Is without speech
 - d. Has a disability, or suffered an injury, which has a substantial and long-term adverse effect on their ability to walk
 - e. Does not have the use of both arms whether by the loss of limbs or otherwise.
 - f. Has a learning disability
 - g. Would have an application to drive a motor vehicle refused due to a disability (excluding those who would be refused because of alcohol or non-prescription drugs use).
9. TCAs can offer, and fund, additional travel entitlements using discretionary powers from Section 93 of the Transport Act 1985. The Council currently offers three additional travel entitlements for Nottinghamshire residents; these are free travel on the tram (£900k), a companion travel facility attached to passes issued for certain severe disabilities (£70k), and free travel for disabled pass holders on Section 19 minibuses in the County (£58k). The estimated annual costs of these additional entitlements are shown in brackets above and are entirely funded by the Council in contrast to the National Concessionary bus scheme as explained above - this is primarily funded by central government.
10. Free travel on the tram is non-statutory because it is not included in English National Concessionary Fare Scheme legislation.
11. Holders of Nottinghamshire concessionary travel passes are entitled to free travel on the tram at the same times as on local bus services detailed in paragraph 6. Unlike the reimbursement duty for the statutory bus concession, the Council is responsible under the current non-statutory arrangement for reimbursing the tram operator for all travel by Nottinghamshire pass holders only. This travel entitlement covers the entire Nottingham tram network.
12. 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 one additional person to travel with the pass holder at the same discounted rate for all journeys commencing in Nottinghamshire.
13. Disability passes can also be used on minibuses such as the easylink service, and this entitles pass holders to 50% discounted travel on these services.

Proposals

14. It is proposed that the discretionary companion and section 19 elements of the current scheme continue in 2022/23.
15. Pre-Covid, there were approximately 1.1m journeys undertaken annually by approximately 60k County residents on the tram network. The Council is responsible for reimbursement to the tram operator, under an agreement with the operator which commenced on the completion of line 2 and 3 in 2015.

16. Due to the significant cost of the non-statutory tram concession, it is considered prudent to publicly consult on a range of options around the tram concession in the future. The options to be considered will include the continuation of the current tram concession arrangements, revised arrangements to maintain access for priority groups and partial or full withdrawal. A further committee report will follow the consultation in Summer 2022.

Reimbursement

17. The Council is responsible for reimbursing transport operators for all statutory free concessionary travel commencing within Nottinghamshire, irrespective of which TCA issued the pass. The Council has met its duty to issue a draft notice of the proposed scheme by 1st December 2021 and must issue a final scheme notice by 3rd March 2022 to enable the scheme to commence on 1st April 2022. The final notice must detail scheme entitlements and reimbursement arrangements.
18. 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.
19. Reimbursement is calculated to ensure that each 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 has been used as the basis of negotiations with transport operators 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.
20. The Council had negotiated, pre-covid, fixed reimbursement arrangements with most operators to maintain network stability and service provision, whilst giving financial certainty to all parties during the current challenging economic climate. The Council has been advised by government to continue to pay at these levels throughout the pandemic up until April 2022, with some adjustments to reflect reduced service provision during the pandemic. These arrangements are going to be reviewed in April 2022. There are currently 23 transport operators participating in the Nottinghamshire scheme of which 17 are bus operators, 1 tram operator and 5 community transport schemes.
21. All reimbursement arrangements will be renegotiated and will be agreed as in previous years following the reimbursement guidance once patronage levels have settled to a ‘new norm’. The agreements for any fixed reimbursement will be constantly monitored against the review clauses upon receipt of actual patronage data and any service registrations submitted.
22. The actual costs of the scheme will be determined through historic passenger data, the final reimbursement agreements with the operators and the subsequent demand for travel. The Council makes total reimbursement of approximately £11.239m (2021/2022 figures) to transport operators for approximately 11 million passenger journeys per annum.

Other Options Considered

23. No other options are available for the national scheme as the provision of concessionary travel for elderly and disabled people is a statutory duty.

Reasons for Recommendations

24. The recommendations ensure that the Council meets its statutory duty whilst continuing to provide a wide range of travel opportunities and choices for the residents of Nottinghamshire. The need for the delegated authority ensures that the Council can issue the statutory notice for the scheme and agree reimbursement levels by 3 March 2022.
25. Due to the significant cost of the non-statutory tram concession, it is considered prudent to consult on a range of options around the tram concession in the future

Statutory and Policy Implications

26. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Equal Opportunities Implications

27. The provision of the concessionary travel scheme and the additional discretionary elements ensures that elderly and disabled can access key services thus improving their quality of life and enhancing social inclusion.
28. An equality impact assessment will be provided as part of the public consultation on future tram arrangements.

Financial Implications

29. The cost of reimbursement to transport operators (for statutory and discretionary entitlements) and scheme management is budgeted to be £11,239,000 in 2022/23. As detailed above the final costs will be subject to agreements with transport operators and the subsequent demand for travel during 2022/23. Detailed monitoring of the patronage data will be undertaken on a regular basis and any variation to predicted costs will be reported.

RECOMMENDATIONS

- 1) Committee approves the Nottinghamshire Concessionary Travel Scheme and proposed funding for 2022/2023 and publication of the final scheme notice on 3 March 2022, subject to Full Council budget approval.

- 2) Committee grants delegated power for the Service Director for Place & Communities to agree the final reimbursement arrangements and associated financial commitments from 1 April 2022 in conjunction with the Head of Highways & Transport and the Chairman and Vice Chairman of the Committee.
- 3) Committee approves a public consultation on the Council's future approach to the tram concession. A further committee paper will follow in Summer 2022
- 4) Committee approves the Council's additional discretionary elements of the scheme from April 2022, which are estimated to cost £1.028m, pending the outcome of the consultation on the tram concession.

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For any enquiries about this report please contact: Gary Wood, Head of Highways & Transport

Constitutional Comments (CEH 14/12/2021)

30. The recommendations fall within the remit of Transport and Environment Committee under its terms of reference.

Financial Comments (DJK 20/12/2021)

31. As stated in the report the overall concessionary budget for 21/22 is £11,239k. The final costs will be subject to agreements with transport operators and the subsequent demand for travel during 2022/23. Detailed monitoring of the patronage data will be undertaken on a regular basis and any variation to predicted costs will be reported.
32. The report also proposes that the Council undertakes a consultation with residents on options regarding the provision of tram travel, which is £900k for the current provision.

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.

- Draft Nottinghamshire Concessionary Travel Scheme – December 2021
- Department for Transport Reimbursement Guidance - November 2021

Electoral Divisions and Members Affected

- All