



**31 October 2013**

**Agenda Item: 6**

**REPORT OF SERVICE DIRECTOR TRANSPORT, PROPERTY AND  
ENVIRONMENT**

**NOTTINGHAMSHIRE CONCESSIONARY TRAVEL SCHEME 2014 / 2015**

**Purpose of the Report**

1. To seek approval for the Nottinghamshire Concessionary Travel Scheme for 2014 / 2015, including the discretionary additional entitlements, publication of the scheme notice on 1 December 2013, the final scheme notice on 3 March 2014 and the proposed funding (subject to Full Council budget approval in February 2014).
2. To seek approval to continue with the County Council's additional discretionary elements of the scheme which are estimated to cost £670,000 in 2014 / 2015
3. To seek Committee 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 2014 in conjunction with the Chairman and Vice Chairman of the Transport and Highways Committee, the Chairman of the Finance and Property Committee and the Service Director for Finance and Procurement.

**Information and Advice**

4. The County Council has been a Travel Concession Authority (TCA) since April 2011 and has the duty to provide free travel on local bus services for the holder of a valid English National Concessionary Travel Pass. Free travel is available between 0930 and 2300 weekdays and all day at weekends and on bank holidays.
5. Concessionary travel passes are available to those who qualify on the grounds of age or disability. The age of entitlement is gradually being increased in line with the rise in state pension age for women.
6. The eligibility criteria for a concessionary travel pass on grounds of disability are defined in legislation and summarised below as a person who:-
  - Is blind or partially sighted
  - Is profoundly or severely deaf
  - Is without speech

- Has a disability, or suffered an injury, which has a substantial and long-term adverse effect on their ability to walk
  - Does not have the use of both arms whether by the loss of limbs or otherwise.
  - Has a learning disability
  - Would have an application to drive a motor vehicle refused due to a disability
7. TCA's are allowed to offer, and fund, additional travel entitlements using discretionary powers from Section 93 of the Transport Act 1985. The County Council offers two additional travel entitlements for Nottinghamshire residents which are discounted travel on the tram and a companion's travel facility attached to passes issued for certain disabilities. It is proposed that these discretionary elements which cost approximately £670,000 per year will continue.
  8. 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 4. The only exception to this is a reduction to half fare travel between 4pm and 6pm weekdays to avoid any capacity issues on the tram services.
  9. 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.
  10. 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 Council has a duty to issue a notice of the proposed scheme by 1 December 2013 and a final scheme notice by 3 March 2014 to enable the scheme to commence on 1 April 2014. The final notice must detail scheme entitlements and reimbursement arrangements.
  11. 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.
  12. 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 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.
  13. There are 23 transport operators currently participating in the Nottinghamshire scheme of which 19 are bus operators, 1 tram operator and 3 community transport schemes. Negotiations with the transport operators are underway with a view to agreeing a mixture of two to three year fixed and variable reimbursement arrangements as in previous years. Several factors impact on the type of arrangement applicable for each operator including network stability and competition. Negotiations will take account of the new tram lines commencing operation in late 2014 and the potential impacts on bus patronage levels this may create.

14. 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. At present there are 177,000 Nottinghamshire pass holders and the County Council makes a total reimbursement of £10.2m (2013 / 2014 figures) to transport operators for approximately 11 million journeys per annum

### **Update on the Nottinghamshire Scheme 2013 / 14**

15. Approximately 89% of Nottinghamshire residents who qualify on age currently hold a concessionary travel pass.

### **Other Options Considered**

16. No other options are available for the national scheme as the provision of concessionary travel for elderly and disabled people is a statutory duty.
17. The County Council funds additional discretionary elements for Nottinghamshire pass holders as described in paragraphs 7, 8 & 9 above. The County Council considers that these additional elements are of significant value to the users therefore has ruled out, at a very early stage in the process, the removal of this support.

### **Reasons for Recommendations**

18. The recommendations ensure that the County 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 in recommendation 2 ensures that the County Council can issue the statutory notice for the scheme and agree reimbursement levels by the 3 March 2014.

### **Statutory and Policy Implications**

19. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working 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**

20. 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.

## **Financial Implications**

21. The cost of reimbursement to transport operators (for statutory and discretionary entitlements) and scheme management is budgeted to be £10.8m in 2014 / 2015. As detailed in paragraph 10 the final costs will be subject to agreements with transport operators and the subsequent demand for travel during 2013/14. Detailed monitoring of the patronage data will be undertaken on a regular basis and any variation to predicted costs will be reported.

## **RECOMMENDATION**

- 1) Committee approves the Nottinghamshire Concessionary Travel Scheme and proposed funding (including discretionary entitlements) for 2014 / 2015 and publication of the scheme notices on 1 December 2013 and 3 March 2014, subject to recommendation 2 and Full Council budget approval.
- 2) Committee 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 2014 in conjunction with the Chairman and Vice Chairman of the Transport and Highways Committee, and Chairman of the Finance and Property Committee and Service Director Finance and Procurement.

**Mark Hudson**  
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**Transport & Travel Services**

**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 10.10.13)**

22. Transport and Highways Committee has authority to approve the recommendations set out in this report by virtue of its terms of reference.

## **Financial Comments (TMR 14.10.13)**

23. The financial comments are set out in paragraph 21 of the report.

## **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.

- Department for Transport Reimbursement Guidance version 3.1 dated 29 November 2011.

## **Electoral Divisions and Members Affected**

All