

Review of Concessionary Travel scheme

SUMMARY

- 1.1 At its meeting on 16 December 2008 a Motion was proposed calling on the Council Cabinet to review the current terms of the English National Concessionary Travel Scheme for people aged over 60 and some disabled people so that Derby residents could easily and without cost:
- travel to pre 9.30am medical appointments
 - travel beyond the current 11pm restriction.
- 1.2 A review on the current scheme arrangements and the proposed additional concessions has been undertaken. Both of the main bus operators in the City have expressed concern at the practicality of how they could implement the proposed travel before 9.30am for people with medical appointments. They felt such a scheme would only work if free travel was given to all card holders. The County Council who administer the scheme on our behalf also expressed concern at how two different system of validity could operate within the area. They, and the other borough/district councils in the Derbyshire group are unwilling to support any further extension in the validity of the pass outside of Derby.
- 1.3 Since December the costs of the current scheme to the City Council have increased considerably from that estimated in briefing paper presented at the Council meeting. The costs each authority in the Derbyshire group pays are now based on the number of tickets issued in a Council area rather than a formula related to the eligible population, as was the situation prior to April 2008. As a result, authorities such as Derby where large numbers of concessionary tickets are issued are now paying significantly more than before. The total cost of the 2008/09 scheme throughout Derbyshire is now estimated to be £16.7m of which Derby's share is £6.016m. This is £2.49m more than has been made available by central government to pay for the scheme. This short fall in funding will have to be met by the Councils own funds.

RECOMMENDATION

- 2.1 To maintain the current terms of the national concessionary travel scheme in Derby.

SUPPORTING INFORMATION

- 3.1 The English National Concessionary Travel Scheme (ENCTS) for people over 60 and certain disabled people was introduced in April 2008. The ENCTS replaced the Derby/Derbyshire Gold Card scheme which has been in operation and administered by the County Council for a number of years. Under the terms of the new scheme people over 60 and those with certain disabilities are entitled to free travel on local bus services across the whole of England between 9.30am and 11pm Monday to Friday and at all times on Saturday, Sundays and Bank holidays. Bus companies are reimbursed by local authorities for all such journeys made.
- 3.2 The government left it to the discretion of local authorities to offer additional benefits over and above the statutory scheme to their own card holders within their own area if they wished to. In Derby/Derbyshire the Councils decided to provide the following additional benefits:
- Half price rail travel on any rail journey within Derby/Derbyshire and cross-boundary travel to key destinations outside the county such as Sheffield, Nottingham, Manchester and Burton on Trent.
 - An expansion of the free bus travel scheme to include the "Dial a Bus" services provided by community transport operators for people who find it difficult to use conventional bus services
 - Incorporating a library card and the Gold Card discount scheme within the new national card.
- 3.3 To help fund the ENCTS from 1 April 2008, the Department for Transport, DfT, made £212m available nationally of which Derby City Council and other Derbyshire districts within the Derbyshire Concessionary Travel Group received a total of £2.81m. This was far less than we have forecasted, in relation to the increased costs of reimbursing bus companies for the extra journeys that would be made. The DfT have since admitted that the funding they have made available to the Derbyshire group through the grant and other sources is insufficient to cover the costs of the scheme. However in the short term they are unable to provide any further funding to help cover the cost. In the longer term they are looking at possible changes to scheme funding and repayment methodology, but these will not be implemented 2010/11 at the earliest.
- 3.4 The method by which the costs of the scheme are divided amongst the authorities in the Derby/Derbyshire concessionary Travel Group has also changed with the introduction of the ENCTS. Under the old local scheme prior to April 2008 the costs were divided using a formula which took account of the eligible population in the borough/district/city council area. This meant that Derby paid 28.41% of the total cost of the scheme. Under the ENCTS the amount each authority pays is based on the number of concessionary tickets issued in their area. For authorities such as Derby where very large numbers of concessionary tickets are issued this means the costs have risen considerably. The estimated total cost of the 2009/10 scheme in Derby is £6.016m which is £2.49m more than the total funding that been made available by central government.
- 3.5 In view of the above costs it is considered impractical at the current time to consider extending the scheme still further to accommodate pre-9.30am medical appointments and late night travel.

- 3.6 Other steps are being taken to address the problem of attending early medical appointments. Officers are speaking to NHS Derby City (the new name for the Primary Care Trust) about whether the Health Trusts could support bus travel to the new Hospital, as patients arriving by bus will help to relieve pressure on the parking facilities there.

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Background papers:	None
List of appendices:	Appendix 1 – Implications

IMPLICATIONS

Financial

- 1.1 The estimated 2009/10 cost of the ENCTS in Derby is £6.016m which is £2.49m more than has been made available by central government to pay for the scheme. This shortfall will have to be made up from the Council's own resources.

Legal

- 2.1 The current scheme is formally laid down and operated in accordance with relevant legislation in the Transport Act 1985, and the Transport Act 2000.

Personnel

- 3.1 None directly arising

Equalities Impact

- 4.1 The current scheme provides significant benefits for older and some disabled people by offering them free access throughout the city and beyond for most of the day.

Corporate objectives and priorities for change

- 5.1 The current schemes makes significant contributions to the Council's 2009-12 priorities and associated outcomes of:
- leading Derby towards a better environment
 - helping us all to be healthy and active
 - giving you excellent services and value for money.