



Derby City Council

## **COUNCIL CABINET** **15 April 2015**

Report of the Cabinet Member for  
Neighbourhoods and Streetpride

# **ITEM 8**

### **The future of the b\_line young persons bus and train concessionary travel scheme**

#### **SUMMARY**

- 1.1 Derby City Council is currently part of the b\_line young persons concessionary travel scheme in partnership with Derbyshire County Council. The current scheme offers a 33% discount on bus and rail fares for young people up to the age of 19, provided they are in full time education. This scheme currently costs the City Council approximately £170,000 a year.
- 1.2 The City and County Councils are proposing to amend the present scheme from August 2015 to provide a more cost effective solution. This would involve reducing the level of discount provided through the scheme from 33% to 25%, and limiting its availability just to people in the age range from 16-18 year olds. However to make the scheme more equitable the current requirement for card holders to be in full time education would be removed. Young people below the age of 16 would continue to be eligible for the fares concessions which the transport operators already provide on a commercial basis.
- 1.3 The estimated cost of the revised scheme would be £135,000 a year. This would be a saving of approximately 20% on the current arrangements. However, it will be necessary to reissue new cards to support this change and as a result full in year savings will not be made immediately. It is estimated that cost of reissuing some cards and maintaining the current scheme until August 2015 will be approximately £76,000. So the estimated total cost of the scheme in 2015/16 will be £166,000.

#### **RECOMMENDATION**

- 2.1 To adopt the proposed new b\_line scheme from August 2015.

#### **REASONS FOR RECOMMENDATION**

- 3.1 To allow the Council to retain a young person's concessionary travel scheme which

will be more affordable in the longer term.



Derby City Council

## **COUNCIL CABINET 15 April 2015**

### **Report of the Interim Strategic Director for Neighbourhoods**

#### **SUPPORTING INFORMATION**

- 4.1 Derby City Council is currently part of the b\_line card young persons concessionary travel scheme, in partnership with Derbyshire County Council. Unlike the Gold Card scheme b\_line is purely discretionary. As such it is one of only a limited number of local authority schemes nationally which offers fare discounts to young people on public transport.
- 4.2 The current scheme has 2 parts dependent on age -
- b\_line 1 for young people from the age of 11 to 14. The card issued acts as a proof of age pass allowing people in this age group to access any young persons concessions offered commercially by the bus or train operators
  - b-line 2 for people from the 14 to 19, provided they are still in full time education. This gives card holders a 33% discount off all adult single and return fares on any bus or rail services in Derby and Derbyshire. It also gives the same level of discount on cross boundary bus and rail services to neighbouring local authority areas provided that the journey starts or finishes in Derby or Derbyshire. The cost of providing these discounts is reimbursed to the bus and train operators by the Councils.
- 4.3 In 2013/14, the gross cost of reimbursing the operators for the whole scheme was £739,018. Derby City Council paid 22.71% of this total following a formula which has been agreed for a number of years.
- 4.4 As part of the City Councils 2015/16 budget consultation process the b\_line scheme had been initially identified as a potential cost saving. The proposal had been that the scheme would end in Derby, saving the authority £170,000 a year. Derbyshire County Council was aware of the proposal to end b\_line in Derby however they have come forward with proposals for a revised joint scheme which would lower the overall costs whilst maintaining certain key elements of the current arrangements. This would involve –
- Ending the current b\_line 1 concessionary scheme. Although proof of age cards would continue to be issued to young people aged 11-16. These would allow them to claim the commercially available discounts offered by transport operators.

- Reducing the age range of young people entitled to receive b\_line2 cards to just those from 16-18. However unlike the present scheme, anybody in this age range would be entitled to receive a card, regardless of whether they were in full time education or not.
- Reducing the level of discount offered to b\_line 2 card holders from the current 33% to 25%.

4.5 The overall impact of these changes would be to –

- Focus the funding available on 16-18 year olds. This group are less able to access the commercially available fares concessions offered by the bus and rail companies to young people.
- Create a more equitable scheme open to all people in the 16-18 age group, rather than just those in education. This would make it easier for anybody in this age range to access, education, training or employment opportunities by public transport
- Fully remove any requirement for the Councils to reimburse bus operators for trips made by those under 16. This would end any future funding requirements and encourage the operators to bring forward their own discount fares offers for this age group.
- Reduce the overall cost of the scheme.

4.6 There are some risks associated with the proposed scheme, particularly in relation to the number of additional people between the age of 16-18 who currently do not have a card because they are not in education but who would now be entitled to one. Derbyshire estimate if all the eligible people applied this could increase the total number of b\_line 2 card holders by approximately 17%.

4.7 Another potential risk is that operators will not offer commercial discounts to those people aged 14-16 who would now not be entitled to receive a b\_line 2 card. This is of particular concern in Derby, as whilst most bus companies in the city already offers half fare for anybody under 16, Arriva Derby currently only do this for people aged up to 14. Some discussions have taken place with Arriva about this. They have indicated informally that they would be willing to extend their own commercial young persons discounts to anyone under 16 years old. However this has still not been officially agreed.

- 4.8 It is proposed that the new scheme should start in August which would coincide with the time when new cards are normally issued at the start of the school year. This will mean that the current scheme would need to be extended until that time. Some transitional arrangements would also need to be introduced to ensure pupils aged 14 who would previously be about to receive a b\_ line 2 get a new b\_ line 1 card instead to cover them until the age of 16.
- 4.9 Informal consultation on the proposed revised scheme have taken place with users in Derby through the Voices in Action youth forum. Residents from Derby have also taken part in the survey carried out by Derbyshire County Council on the proposed changes. Over a 1000 questionnaires have been returned as part of this survey and there has been a generally positive response to the changes proposed.

#### OTHER OPTIONS CONSIDERED

- 5.1 Do nothing and maintain the current scheme -  
This would be unaffordable for Derby City Council and Derbyshire County Council.
- 5.2 Introduce the change proposed in the budget consultation -  
This would mean ending the current scheme in April 2015 as proposed in the initial budget consultation and could result in financial hardship to young people.

**This report has been approved by the following officers:**

<b>Legal officer</b>	N/A
<b>Financial officer</b>	
<b>Human Resources officer</b>	N/A
<b>Estates/Property officer</b>	N/A
<b>Service Director(s)</b>	Tim Clegg
<b>Other(s)</b>	Christine Durrant

  

<b>For more information contact:</b>	Chris Hegarty 01332 641736 chris.hegarty @derby.gov.uk
<b>Background papers:</b>	None

<b>List of appendices:</b>	Appendix 1 – Implications
----------------------------	---------------------------

## IMPLICATIONS

### Financial and Value for Money

- 1.1 The cost of the revised scheme is estimated at £135,000 a year providing a saving of around 20% on the existing scheme costs. However, it will be necessary to reissue new cards to support this change and as a result full in year savings will not be made immediately. The reissuing of cards and maintaining the current concessions until August 2015 would cost approximately £76,000 so the total costs for the scheme in 2015/16 are estimated at £166,000

### Legal

- 2.1 The authority has no statutory obligation to provide subsidised transport to young people who are not eligible for free home to school transport as set out in the Education and inspections Act 2006.
- 2.2 The details of the new scheme and reimbursement arrangements will need to be published in June to give the bus operators sufficient legal notice of the proposal to allow for its introduction in August.
- 2.3 The b\_line scheme is a partnership jointly paid for and operated by Derby City Council and Derbyshire County Council. Any changes to it will need to be agreed by both authorities before they can be introduced. A cabinet report setting out these proposals is due to be discussed by Derbyshire County Council at their meeting in May.

### Personnel

- 3.1 None arising

### IT

- 4.1 None arising

### Equalities Impact

- 5.1 None directly arising although the proposed concession will now be available to anybody in the 16-18 age range regardless of their educational or employment status.

### Health and Safety

- 6.1 None arising

## **Environmental Sustainability**

- 7.1 Encouraging more people to use public transport services could reduce the number of people driving private cars and any pollution associated with them.

## **Property and Asset Management**

- 8.1 None arising

## **Risk Management**

- 9.1 None arising

## **Corporate objectives and priorities for change**

- 10.1 This project will contribute towards –
- A thriving economy by creating the opportunity for more young people to be able to use bus and rail services to access employment, training, leisure, and shopping opportunities.
  - A city for all ages by allowing young people to access reduced cost public transport.