

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

8 JANUARY 2009

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Regeneration & Transport - Lead Cabinet Member - Councillor R Cook

REVIEW OF OPERATION OF ENGLISH NATIONAL CONCESSIONARY TRAVEL SCHEME

1. Summary

The purpose of this report is to advise Cabinet of the progress of the introduction of the English National Concessionary Travel Scheme (ENCTS) since its introduction on 1st April, to seek approval for changes in the administration of the scheme locally and to advise of the financial implications of operation of the scheme for Stockton-on-Tees Borough Council.

2. Recommendations

It is recommended that:

1. Approval is given to seeking continuing participation in the Tees Valley wide enhancement to the English National Concessionary Travel Scheme (ENCTS) offering free travel within and between the areas covered by Stockton-on-Tees, Hartlepool, Middlesbrough and Redcar & Cleveland Borough Councils at any time of day. Continuation of the any time of day enhancement to be subject to the participation of other Tees Valley authorities and available budgets.
2. Members note that negotiation will be based upon a two year deal but the final duration of any arrangement will be subject to the agreement of all parties.
3. Any agreed continuation of the any time of day enhancement enabling travel at any time operates for a one-year period commencing on 1st April 2009.
4. A charge of £5 for replacing a first lost pass and £10 for replacing subsequent lost passes is introduced, together with delegated authority to waive the fee under exceptional circumstances to be given to the Head of Technical Services.

5. A further report is presented to Cabinet recommending the best means by which the Department for Transport's recommendations on the use of occupational therapists or physiotherapists for carrying out eligibility assessments can be achieved.
6. The issue of whether to operate a local enhancement enabling companions of disabled pass holders to travel free of charge is deferred until the recommendations of the national working party on funding and concessions are known.
7. That no further local enhancements be approved at this stage.
8. Members note that access to the ENCTS is to be improved by extending the ability to apply for passes to libraries and other outlets as appropriate.
9. The operation of the scheme is kept under review and any further proposed changes to the ENCTS recommended either locally or by the working parties set up by the Department for Transport be the subject of a further report to Cabinet.

3. Reasons for the Recommendations/Decision(s)

The decision of Cabinet to consider a report reviewing the operation of the English National Concessionary Travel Scheme (ENCTS) six months after the commencement of its operation.

4. Members Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

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RECOMMENDATIONS

It is recommended that:

1. Approval is given to seeking continuing participation in the Tees Valley wide enhancement to the English National Concessionary Travel Scheme (ENCTS) offering free travel within and between the areas covered by Stockton-on-Tees, Hartlepool, Middlesbrough and Redcar & Cleveland Borough Councils at any time of day. Continuation of the any time of day enhancement to be subject to the participation of other Tees Valley authorities and available budgets.
2. Members note that negotiation will be based upon a two year deal but the final duration of any arrangement will be subject to the agreement of all parties.
3. Any agreed continuation of the any time of day enhancement enabling travel at any time operates for a one-year period commencing on 1st April 2009.
4. A charge of £5 for replacing a first lost pass and £10 for replacing subsequent lost passes is introduced, together with delegated authority to the Head of Technical Services to waive the fee, under exceptional circumstances.
5. A further report is presented to Cabinet recommending the best means by which the Department for Transport's recommendations on the use of occupational therapists or physiotherapists for carrying out eligibility assessments can be achieved.

6. The issue of whether to operate a local enhancement enabling companions of disabled pass holders to travel free of charge is deferred until the recommendations of the national working party on funding and concessions are known.
7. That no further local enhancements be approved at this stage.
8. Members note that access to the ENCTS is to be improved by extending the ability to apply for passes to libraries and other outlets as appropriate.
9. The operation of the scheme is kept under review and any further proposed changes to the ENCTS recommended either locally or by the working parties set up by the Department for Transport be the subject of a further report to Cabinet.

DETAIL

1. The English National Concessionary Travel Scheme (ENCTS) came into operation on 1st April 2008. Under the ENCTS, holders of a concessionary pass are entitled to travel on buses free of charge between 9.30am and 11.00pm on weekdays and at any time at weekends. Under the Concessionary Bus Travel Act 2007 local enhancements are allowed to the ENCTS including, for example, removal of restrictions on the time of travel and use of companion passes.
2. In the Tees Valley a local enhancement was agreed that removed all restrictions on the time of travel. No capacity problems have been experienced as a result of the enhancement. Should the local enhancement be removed, it is very difficult to assess the impact upon resources but a reasonable assumption would be a small potential saving in the region of 1 to 3%. Essentially, removing the concession would most likely result in most journeys simply being delayed until after 9.30am.
3. However, as both bus operators and local authorities wish to keep the operation of the ENCTS under close review and its longer terms effects are not yet known, it is recommended that any agreement, only be for a maximum of two years from 1st April 2009.
4. Cabinet agreed that a report reviewing the operation of the ENCTS should be presented after experience of six months operation of the scheme. The Department for Transport (DfT) has also set up three national working parties to review the operation of the ENCTS. These will cover:
 - Funding and concessions
 - Reimbursements and
 - Eligible Services.

To date only the Eligible Services Working Party has produced any recommendations and it is expected that other working party recommendations will be released during 2009. However, it is not expected that there will be any major changes to the ENCTS until after 2009.

5. Because the Department for Transport Working Parties may make recommendations that will impact upon the operation of the scheme locally, it is recommended that operation of the ENCTS is kept under review and that any changes to the ENCTS recommended either by the DfT working parties or local authorities be the subject of a further report to Cabinet.
6. We currently have 28,478 passes issued to the over 60's and 1,861 issued on grounds of disability, representing approximately 82% take up, compared to 64% before introduction of the National Scheme. The following are the issues arising from this first year of operation;

- a. Almost 400 residents have now asked for a replacement pass because they have lost the passes issued to them. With the National Scheme came a requirement to participate in a National Pass issue contract. Under the ENCTS, passes have to be registered in a national database and all lost/stolen cards have to be 'hotlisted' to prevent fraudulent use. Excluding local administrative costs, each replacement pass costs £2.48. Other Tees Valley authorities have introduced charges for lost passes, although Stockton have not. It is therefore recommended that a charge of £5 is made for replacing the first lost pass and £10 for issuing any subsequent lost passes. This will help to offset against the cost of administering replacement passes and is in line with other authorities in the Tees Valley. In the Tees Valley, Darlington and Hartlepool have a flat rate charge of £5 for replacing all lost passes, irrespective of how many an individual loses. Redcar & Cleveland charges £6, although the fee is waived if a crime number or other evidence is provided to prove that a pass was stolen. Middlesbrough Council charges £10 for every lost pass. It is also recommended that the Head of Technical Services has delegated authority to waive the fee under exceptional circumstances.
- b. With regard to the qualification for a pass on the grounds of disability, the Department for Transport now strongly recommends that independent health professionals should undertake assessments in place of GPs. Their view is that in the case of an assessment of the inability to walk occupational therapists or physiotherapists are often best placed to assess eligibility due to their professional knowledge of mobility. Transferring assessment to such specialists implicitly suggests the importance of making judgements based on physical mobility rather than medical conditions. In Stockton applicants wanting a pass on grounds of disability have to complete a form. Any claim has to be proven and if the opinion of the General Practitioner is required he/she is sent a form that has to be returned. The applicant is informed after the GP has responded as to whether the application is merited. The GP then charges the council for the opinion and completing the form. Typically, GPs charge £25 for this although some charge up to £30. The availability and cost of using occupational therapists in Stockton is uncertain and a common approach should be adopted throughout the Tees Valley if possible. It is, therefore, recommended that a report is presented to a future Cabinet to consider the Department of Transport's recommendations on the use of occupational therapists or physiotherapists for carrying out eligibility assessments. With regard to mental health and qualifying for the scheme, this is an issue that will be referred to the national working party on funding and concessions for consideration. We will await their findings.
- c. Elsewhere in the northeast region, some authorities have introduced passes for those who act as travelling companions for people with disabilities. These include Northumberland, Durham, Darlington and the area covered by the Nexus Passenger Transport Executive. Other local enhancement requests have also been made for Stockton Council to provide a taxi card scheme and introduce free travel on local railway journeys.
 - i. On balance, it is recommended that consideration of the companion passes issue is deferred pending any further recommendations being issued by the Department for Transport working parties.
 - ii. Taxicard schemes are also allowed where residents can choose between having either an ENCTS pass or a local taxicard. An Equality Impact

Assessment of concessionary travel, carried out in 2008, recommends that a detailed assessment of a potential taxicard scheme be carried out in 2010.

- d. Bus journeys in Stockton-on-Tees far outnumber those made by train. Because of the potential additional costs and the difficulties in administering a local scheme it is not recommended that any enhancement covering local railway journeys is introduced. ENCTS is only meant to provide towards the cost of free bus travel under the Concessionary Bus Travel Act 2007 and not rail journeys.
- e. The passes for the ENCTS are issued under a national call-out contract operated by Fujitsu. Under the contract passes are to be issued by first class post the day after an applicant registers for the scheme. Applications are now being processed 'live' from the council's car parking offices via an Internet connection to the card management system (CMS). Residents can now also apply up to 13 days before their 60th birthday under the card management system. This will enable delivery of passes in good time for a resident's 60th birthday.
- f. Members are also asked to note that following a pilot of live applications in the Car Parking offices at Gloucester House, it is planned to extend the number of outlets at which ENCTS applications can be made to all libraries in 2009. Additional outlets for the ENCTS could also be set up at other suitable sites subject to agreement with those concerned. This will make applying for the concession more convenient for the public and extend the hours when residents can apply for passes.

FINANCIAL AND LEGAL IMPLICATIONS

Financial

7. Detailed Financial analysis is exempt information under Local Government Act 1972 and appears as confidential information at **Appendix 1** to this report.
8. A system of fixed payments for implementing the ENCTS was agreed between the Tees Valley authorities and the bus operators. The agreement means that apart from exceptional circumstances, the payments for 2008/09 are known to both the local authorities and the bus operators. In Stockton-on-Tees, payments totalling approximately £3.1 million were agreed with operators. However, North Yorkshire National Parks have contacted the council since 1st April seeking payment for concessionary pass holders using its summer bus services. The level of payment for 2008/09 for the NYNP has still to be agreed for each authority, although in overall terms it will not be significant.
9. The financial implications of the English National Concessionary Travel Scheme are that it may place a substantial additional financial burden on the council in 2009/10 and beyond. Stockton Council will be expected to meet the financial implications of the increased number of journeys being made under the ENCTS as well as industry costs (and fares) rising at a rate that is higher than the general inflation rate.
10. Because the present fixed payments in the Tees Valley are assessed on the basis of a projected number of journeys for the year, the average fare and a reimbursement factor (to allow for the fact that operators should be 'no better or worse off' as a result of operation of the scheme), a survey of average fares for each authority is being undertaken. This will enable verification of the journey and average fare data submitted by operators before negotiations on payments for 2010/11 take place.

Legal

11. The Council is required to comply with the Concessionary Bus Travel Act 2007 and any regulations issued by the Secretary of State in connection with the Act.

RISK ASSESSMENT

12. The concessionary fares situation is currently categorised as high risk, with cost and revenue implications for the council still to be determined.

COMMUNITY STRATEGY IMPLICATIONS – Key areas of impact

Environment and Housing

13. Bus services, by providing an environmentally sustainable alternative to the car, assist in easing congestion and reducing harmful emissions. Any increase in bus patronage in Stockton-on-Tees will have a significant impact towards achieving targets to reduce traffic growth and emissions. The increased take up of passes, especially in areas of high car ownership, is encouraging as it shows more residents are prepared to use the bus as an alternative to the car for some journeys.

Healthier Communities and Adults

14. The ENCTS means that any resident with a pass can attend doctors, dentists or hospital appointments using public transport without cost including before 9.30am on mornings.

Economic Regeneration and Transport

15. Residents who are over 60, or who qualify for free concessionary travel through disability, will enjoy free access to work, shopping and leisure including part time employment opportunities. However, the free of charge access to other major shopping centres means that shopping facilities in Stockton-on-Tees are facing increased competition for the patronage of many residents who travel by bus.

Arts, Leisure and Culture

16. By providing free bus travel throughout England, access to arts, cultural and leisure facilities has been improved. This will mean that the over 60s and people with disabilities living in other authorities will find visiting attractions like the Arc and the Preston Hall Museum far less expensive and more attractive. Conversely, Stockton-on-Tees residents are now able to travel free of charge to regional attractions including the world heritage site of Durham Cathedral and The Baltic Centre.

Older Adults

17. The introduction of free concessionary travel means that the over 60s and people with disabilities will be able to travel further without incurring any cost. This is significant as it will mean that greater access to services will be achieved using public transport.

Equality Impact Assessment

18. An equality impact assessment (EIA) for the concessionary travel scheme was carried out in March 2008. The key actions in the EIA action plan are:-

- Improve consultation to BME community through contact with places of worship/ meeting.
- Investigate means of publicising registration/eligibility for people with learning difficulties.
- Council Venues for issuing of passes should be DDA compliant.
- Social Services to supply data on residents who would benefit from the service.
- Review the need for mass renewals and registrations and minimise the requirement for residents to re-register/renew passes.

CONSULTATION INCLUDING WARD/COUNCILLORS

Extensive consultations have taken place with stakeholders on transport issues as part of the process for the production of the second Local Transport Plan. All Elected Members have been provided with a copy of the Department for Transport guidance note 'Concessionary Travel for Older and Disabled People: FAQs for local authorities'. Members were also provided with updates on progress during the introduction of the ENCTS. One issue that is becoming apparent is that increased take up of concessionary travel passes is increasing expectations that the council can provide improved bus services so that more advantage can be taken of the new passes. This creates an additional pressure on the council to provide more and better quality supported bus services. Boroughbus contracts are due for renewal in 2009 and will be the subject of a separate report.

The Council has been able to comply with the request submitted via Members for pass holders to be issued with the new passes. This was possible because of the lower unit costs available under the national contract. Residents have welcomed the pass holders, which are also branded by having the council logo and Helpline number on them.

Consultations have taken place with residents groups and forums representing elderly citizens. The Over 50s Assembly has been kept briefed on progress and has had the opportunity to raise any questions relating to concessionary travel. Groups representing elderly citizens and health interests are pleased at the continued removal of restrictions on travel before 9.30am because of the need to attend doctors and hospital appointments.

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Background Papers

Concessionary Bus Travel Act 2007
 Equality Impact Assessment: Concessionary Fares March 2008
 Cabinet Report Free Concessionary Travel Scheme 10 March 2006
 Concessionary Travel for Older and Disabled People: FAQs for local authorities
 Local Government Finance: Formula Grant Distribution – A Consultation Paper (ODPM)
 Transport Act 1985
 Concessionary Fares Schemes – Explanatory notes on the provisions of the Transport Act 1985
 Concessionary Travel Regulations 1986
 Transport Act 2000
 Cabinet Report Free Concessionary Travel Scheme 1st December 2005
 Cabinet Report GOLDCARD CONCESSIONARY FARES SCHEME 10 March 2005

Ward(s) and Ward Councillors:

The provision of concessionary travel is relevant to Members in all wards.

Property

None.