16th October 2012

## **CONCESSIONARY FARES - PRE 09.30 HOURS**

Relevant Portfolio Holder	Councillor Greg Chance, Portfolio Holder for Planning, Regeneration, Economic Development and Transport
Portfolio Holder Consulted	Yes
Relevant Head of Service	Judith Willis, Acting Head of Community Services
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision	

#### 1. SUMMARY OF PROPOSALS

To implement the introduction of pre-09.30 concessionary bus travel to Redditch residents who are eligible for a concessionary bus pass.

### 2. <u>RECOMMENDATIONS</u>

#### The Executive is asked to RESOLVE that

- 1) delegated authority be given to the Head of Community Services and the Head of Legal, Equalities and Democratic Services to agree with the bus operators the detailed arrangements necessary to implement a pre-09.30 concessionary bus travel scheme; and
- 2) to enter into a legal agreement with the bus operators to reflect those arrangements.

### 3. KEY ISSUES

#### **Financial Implications**

- 3.1 Council at its meeting on 23rd July 2012 approved the Council's Medium Term Financial Plan, which included funding to enable this scheme to be implemented.
- 3.2 Approval was given for £43,000 in 2012/13 and £86,000 in future years to fund the introduction of pre 09.30 concessionary travel for Borough residents, who hold a concessionary bus pass.

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- 3.3 The final cost of the scheme will be subject to negotiations with the six individual bus operators that provide a service in the Borough and subject to an annual maximum cost of £86,000 per annum. The cost in 2012/13 will be lower as the scheme will not be in place for a full year but will include a set-up cost of £5,000. The set-up costs are in respect of the issue of concessionary fare passes to residents that include the Borough logo to enable bus operators to recognise that they are eligible for the pre 09.30 concession.
- 3.4 The Financial Services Manager has been consulted with regard to the financial implications.

### Legal Implications

- 3.5 The responsibility for administration of concessionary travel schemes under the Transport Act 2000 and the Transport Act 1985 transferred from the Borough Council to Worcestershire County Council in April 2011. This was as a consequence of new national legislation contained in the Concessionary Bus Travel Act 2007 (Variation of Reimbursement and Other Administrative Arrangements) Order 2010.
- 3.6 The National Scheme provides free travel for eligible pass holders between 09.30 and 23.00 on weekdays and all day on weekend and Bank Holidays. The Council will exercise the general power of competence within the Localism Act 2011 to enhance the national scheme and fund concessionary travel within the Borough before 09.30 a.m.
- 3.7 Following negotiation with the bus operators the Council would enter in to a Legal Agreement with the Bus Operators. The terms of this Agreement would include:
  - a) That Council will pay a quarterly fixed sum in arrears to each operator;
  - b) That operators must enable use of the concession to all bus service routes it operates in the Borough;
  - c) To provide quarterly data on the number of pre 09:30 hours concessionary travel passengers;
  - d) A clause to enable both parties to review the fixed sum if the operators bus routes before 09:30 are either significantly reduced or increased.
- 3.8 The Principal Solicitor has been consulted with regard to the legal implications.

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### Service/Operational Implications

- 3.9 The Redditch local scheme would not be part of the national arrangements under the Transport Acts. A separate scheme would have to be set up with the six bus companies that currently operate within the Borough (listed below). This would not have statutory status but would be a contractual arrangement with them as identified in 3.7 above.
- 3.10 Since financial approval was granted at Council on 23rd July and Officers were delegated to progress implementation with colleagues and external parties, Officers have been in negotiations with the bus operators.
- 3.11 The allocation will be based on the total passenger journeys for each of the operators listed below.
  - a) First;
  - b) Diamond;
  - c) Johnsons;
  - d) Stagecoach;
  - e) Dudley's;
  - f) Worcestershire County Council.
- 3.12 The existing concessionary travel identify cards are County-wide and do not distinguish in which District the resident lives. New cards will therefore have to be issued in order that bus operators can identify that a resident lives within the Borough and is therefore eligible for pre 09.30 travel. The scheme would allow for residents to travel outside of the District pre 09.30 subject to them commencing their journey within the Redditch Boundary.
- 3.13 There are currently 13,258 card holders in the Borough. Fortunately it has been established that of these 80% are due for renewal by March 2013 which will significantly reduced the costs of issuing new cards. The County Council will administer the renewals, which they do over a phased period, and in the future this will contain the Redditch Borough Council logo which, when shown to the bus operator, will authorise pre 09.30 travel. The County Council have also agreed to write to the remaining 20% of card holders to re-issue their passes with the logo by March 2013.

### **Customer / Equalities and Diversity Implications**

3.14 The scheme provides eligible residents with an enhanced concessionary travel service which will provide them with increased

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opportunities to meet their travel requirements. For example to attend GP or hospital appointments.

## 4. RISK MANAGEMENT

There is a risk that not all the bus operators would wish to participate in the scheme. The Council would not be able to force an operator to provide pre 09.30 concessionary travel as it is not a statutory requirement. There is a risk that if total bus passenger numbers dramatically increase in the future the operators may request that their payment is increased accordingly.

### 5. <u>APPENDICES</u>

None.

### 6. BACKGROUND PAPERS

None.

### AUTHOR OF REPORT

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