

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	Environment and Transportation Select Committee
<b>Date of meeting:</b>	8 November 2011
<b>Report Title:</b>	Concessionary Fares
<b>Reference:</b>	3423
<b>Report From:</b>	Director of Economy, Transport and Environment

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#### 1. Purpose of Report

1.1. To update members of the Select Committee on the introduction of the Concessionary Fares scheme in Hampshire six months after commencement of the scheme.

#### 2. Contextual Information

2.1. Statutory funding and administration of Concessionary Travel passed from District Councils to County Councils on 1 April 2011.

2.2. Risks were identified that Government funding would prove inadequate to meet the costs of the statutory scheme, and that any errors in moving the scheme to the County Council would cause hardship to clients or pose reputational risk.

2.3. Detailed preparation for the transition, public consultation including an Equalities Impact Assessment, and close liaison with operators of the district council schemes and schemes elsewhere in England, allowed the Executive Member to approve a scheme which met statutory requirements and addressed essential needs through enhancements for those with disabilities.

2.4. On 24 February 2011, County Council extended the start time for holders of older person's passes from 9.30 to 9.00am.

2.5. Transitional arrangements went well, with over 100,000 concessions renewed within a three week period. A number of non-statutory concessions such as railcards were previously issued by district councils and holders have been offered a bus pass or vouchers for taxi use if they meet disability criteria.

Some 231,000 concessions are on issue in Hampshire with 2,200 concessions being issued or renewed each month.

- 2.6. Costs are demand-led based on the level of pass use and the cost of bus travel. Year on year pass take up is growing due the aging population though this is offset in part by the rising entry age in line with the female pension age.
- 2.7. Bus operators are reimbursed for carrying pass holders on a 'no better, no worse' basis as though no scheme existed. The published Hampshire scheme sets out the basis on which reimbursement will be made, this has been based on DfT guidance.
- 2.8. The DfT guidance allows operators to make claims for additional capacity costs if they have to run larger buses or extra buses at peak times. Operators can also appeal if they can show that the scheme does not adequately meet their costs.
- 2.9. £13,411,000 is allowed in the budget for concessionary travel in 2011/12 and based on data received to date estimates for costs for the remainder of the financial year and allowances for potential appeals/other claims, it is forecast that cost will be within budget.
- 2.10. Stagecoach South has lodged an appeal against the generated travel factor used by the scheme but an appeal by Go South Coast has been resolved by negotiation.
- 2.11. Officers have been in discussions with both parties supported by the County Council's retained consultants, JMP and Legal Services. A contingency sum was identified in the original budget to cover potential risks from claims. It is envisaged at this stage that these claims, if justified, will not exceed the budget limit.
- 2.12. Day to day pass issue is now running on a 'business as usual' basis and options to relocate this activity are being evaluated. It was always intended that once the initial handover was completed, opportunities would be explored to improve efficiency and service to customers through further potential integration of the service with other related areas.

### **3. Conclusions**

- 3.1. The Concessionary Fares scheme has been successfully implemented in Hampshire and is running well at this stage, it is also anticipated the scheme will be delivered within the allocated budget, although this will need to be closely monitored as more information becomes available on useage and costs incurred.
- 3.2. On the basis of the information currently available, and subject to the Executive Member for Environment and Transport's approval, it is at this stage proposed that the draft 2012/13 scheme, which has to be published in December 2011 will be on the same basis as the current scheme.

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

**IMPACT ASSESSMENTS:**

**1. Equalities Impact Assessment:**

1.1. A full EIA was undertaken for the Concessionary Fares scheme

**2. Impact on Crime and Disorder:**

2.1. N/A

**3. Climate Change:**

a) How does what is being proposed impact on our carbon footprint / energy consumption?

Reduces car usage.

b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Carbon reduction from private car use.