
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	6 SEPTEMBER 2007	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	CHRIS SWAIN (595812)	DOC: swainc\winword\F&M Committee 060907.doc
SUBJECT:	CONCESSIONARY TRAVEL – CHANGES FROM 1 APRIL 2008	REF: CJS
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM05

1.0 Recommendations

- 1.1 Members are asked to note the contents of the report on the amendments to the Derbyshire Concessionary Travel Scheme - the Goldcard Scheme – as part of the national changes to be introduced on 1 April 2008.
- 1.2 Members are asked to approve the introduction of the modifications to the Goldcard Scheme to comply with the national scheme from 1 April 2008.
- 1.3 Members are asked to permit the Council, in partnership with Derbyshire County Council, borough and district councils, to enter into an agreement with a concessionary fares card supplier to be short listed by the DfT following the DfT tendering process.
- 1.4 To approve the use of the first tranche of funding to use a temporary member of staff to begin the process of cleaning the database of existing Goldcard holders to ensure that there is an updated list of those who need a new card.

2.0 Purpose of Report

- 2.1 The report gives details of the amendments to the Derbyshire Concessionary Travel Scheme for Elderly and Disabled People to meet the requirements of the national scheme to be introduced on 1 April 2008.

3.0 Detail

- 3.1 The Concessionary Bus Travel Act 2007 (which received the Royal Assent on 19 July 2007) was necessary to amend existing legislation to ensure that the statutory minimum concession of free off-peak travel for pensioners and disabled people is available on local buses anywhere in England, rather than, as now, only in a passholder's local area. A power included in the Act also offers an opportunity in

future to put in place a revised and flexible framework for administering the national concession.

- 3.2 The Department for Transport established a Concessionary Fares Working Group in 2005 to help implement the move from half-fare to free off-peak local concessionary bus travel. The group continued to meet regularly and provided invaluable input on both issues arising from the current scheme and on the implementation of the new national bus concession.

This group includes representatives from:

- ❖ all tiers of local government;
- ❖ the Government Offices;
- ❖ the Local Government Association;
- ❖ the Association of Transport Co-ordinating Officers; and
- ❖ the Confederation of Passenger Transport.

Taskgroups were also formed to take forward various workstreams. These groups provided operational and practical input and expertise to assist in both the development of the Bill, before it became an Act, and the development of inter-operable passes for April 2008.

- 3.3 Existing passes will need to be replaced to ensure that they are recognisable across England by April 2008. A recognisable national logo will be designed, agreed and incorporated in the passes
- 3.4 The Department for Transport has started the process of considering the draft regulations which will, subject to the provisions of the Concessionary Bus Travel Act 2007, specify the design and format of an England-wide concessionary bus travel pass. It is also working with local authorities to identify existing smartcard schemes and to negotiate the best way of migrating these to the new national pass
- 3.5 The Department for Transport is preparing a national communications strategy, which will back up local communications strategies, to take place from this autumn through to April 2008.
- 3.6 Following the introduction of the national bus concession, a local authority decision to issue a concessionary bus pass will for the first time have a financial impact on other travel concession authorities. This is because the pass will be valid outside the issuing authority's area. It is therefore fundamental that national concessionary bus passes are only issued to those people who are aged 60 or over, or fall into one of the statutory categories of disabled as set out in the Transport Act 2000 or the Greater London Authority Act 1999. Guidance was issued to local authorities in 2002 (and updated in 2005) to assist them in assessing eligibility for a bus pass, on the grounds of disability.
- 3.7 There is a lot of work that is required to ensure we are able to produce passes for April 2008. Most of this work will be necessary whether or not the Department for Transport requires passes to be smartcards, so we need to be doing the following:
- ❖ Getting data on concessionaires in shape (accurate and up to date);
 - ❖ Deciding what additional discretionary concessionary travel entitlements, if any, the Derbyshire scheme may wish to allow, depending on the funding available (i.e. the discounts available with the Goldcard scheme);

- ❖ Making arrangements to produce passes (it is anticipated that these will be produced in-house);
- ❖ Considering what steps need to be taken in respect of any move to a new smartcard-based pass.

3.8 To implement these changes, we also need to undertake a series of tasks between now and April 2008 including ...

- ❖ Cleaning our records of existing Gold Card holders to ensure we have an updated list of those who will need a new card. Temporary additional staff resources will be required to undertake this, and it is proposed to recruit a temporary member of staff immediately to get this under way.
- ❖ Entering into agreement with a provider of the cards for them to supply Derby cards for the existing card holders. The DfT is already undertaking a tendering process with a number of potential card providers for them to provide these cards and a number of other services to local councils throughout England. This process will be completed in August after which time local authorities nationally will be able to buy into one of these agreements. It is anticipated at the moment that the same supplier will be used to provide cards the whole of Derbyshire.
- ❖ Distributing the new cards to the existing card holders.
- ❖ Upgrading of our existing card issuing software and computers so that the new style cards can be issued locally to people who become entitled after 1st April 2008.
- ❖ Publicising the new scheme.

3.9 The Department for Transport's website contains a section devoted to "Frequently Asked Questions". This can be found on the following link:
<http://www.dft.gov.uk/pgr/regional/buses/concessionary/concessionarybustravelbill/>.

4.0 Financial Implications

4.1 The current cost of the scheme for 2007/08 is £757,230 of which £739,000 is the contribution to the County Council. This is met from a Government grant of approximately £736,000. It is anticipated that future funding will be included in the Revenue Support Grant and, as such, will not be easily identifiable.

4.2 The Department for Transport will be paying a grant to cover the net additional costs (new burdens) arising from the forthcoming regulations on pass specification. The total required amount for this grant cannot be finalised until the regulations themselves are laid following consultation and discussions with suppliers. However it is recognised that many authorities are undertaking preparatory work now, and that this work might itself be facilitated by an interim grant payment. With this in mind, an initial grant based on a calculation of £1.20 per pass currently in circulation is to be paid. The balance of the full grant amount would then be paid once the pass regulations have been finalised.

4.3 It is anticipated that the initial grant will be in the region of £13,500 and the final payment around £32,000.

4.4 The grant will be used to re-issue the passes and meet this authority's portion of any of the costs of the scheme administered under the current arrangements with Derbyshire County Council.

5.0 Community Implications

- 5.1 The Derbyshire Concessionary Travel Scheme Agreement with the City, Borough and District Councils secures joint funding, with the District Authorities acting as the agents for the issue of passes and the County Council acting as the agent for financial reimbursement to the operators
- 5.2 The ability to use the travel pass on local bus services throughout England will be a enhanced facilities available to all eligible pass holders.

6.0 Background Papers

- 6.1 Concessionary Fares file – C7
- 6.2 Documents contained on the website of the Department for Transport
www.dft.gov.uk