



**REPORTS FOR DECISION BY THE
CABINET MEMBER FOR ENVIRONMENT**

Date Issued: **25 June 2009**

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MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR ENVIRONMENT

REPORT OF ASSISTANT DIRECTOR OF DEVELOPMENT AND COMMUNITY SERVICES

Report prepared by Clive Cheeseman

Date Issued: 25 June 2009

- 1. DEPARTMENT FOR TRANSPORT CONSULTATION ON
POSSIBLE CHANGES TO THE ADMINISTRATION OF
CONCESSIONARY TRAVEL**
 - 1.1 Issue for Decision
 - 1.1.1 To consider the response of Maidstone Borough Council to the consultation by the Department for Transport on possible changes to the administration of concessionary travel from 2011.
 - 1.2 Recommendation of the Assistant Director of Development and
Community Services
 - 1.2.1 That the response to the Department for Transport consultation as detailed in **Appendix A** be submitted.
 - 1.3 Reasons for Recommendation
 - 1.3.1 THE DEPARTMENT FOR TRANSPORT CONSULTATION
 - 1.3.2 The Department for Transport issued a consultation document on 28 April 2009 detailing possible changes to the administration of concessionary travel, and considering in that context how any additional travel concessions could then best be managed. The department wish these aspects of concessionary travel administration to be addressed before they consult further, in July 2010 (for decision in November 2010), on the detail of how block and grant funding to district and other councils would be affected by this change.
 - 1.3.3 The consultation document can be accessed on the Department for Transport website at;-
www.dft.gov.uk/consultations/open/concessionarytravel/
 - 1.3.4 In summary its contents are as follows.

- 1.3.5 These changes are being considered as a result of the current conflicts caused by the variations in different local schemes, the large number of separate negotiations that then have to take place, the specialist nature of the issues, the difficulty of accurately funding Travel Concession Authorities (TCA's) (that is the district councils), and that in most areas the districts are not the Transport Authority for the area.
- 1.3.6 It is the desire of the Department for Transport that any changes should deliver efficiency of administration and improve the customer (pass holder) experience. They wish to see a faster roll out of smart ticketing infrastructure to help improve recording and accounting, which can be better delivered and coordinated through the local Transport Authorities (County Councils).
- 1.3.7 There are basically three potential options for the future administration of Concessionary Travel:
- To leave matters as they are which whilst they have worked reasonably well are now coming under increasing strain and do not appear to be sustainable in the longer term.
 - A fully centralized system but this would remove controls too far from local involvement and transport issues, and risks creating an additional layer of administration. This would also be against the government's policy of devolving functions.
 - To move the function from district to county councils as this would equate with their function as the transport authority for the area.
- 1.3.8 The government is in favour of the shift from district to county councils. This would generate some administrative efficiency, and create synergies with the wider transport authority responsibilities that counties have. It would also help to realise the aspiration of extending smart ticketing across England.
- 1.3.9 Provision is included for upper tier authorities voluntarily entering into arrangements with district councils for them to issue passes under some form of contractual arrangement.
- 1.3.10 DISCRETIONARY TRAVEL
- 1.3.11 At present district councils can offer local enhancements to the mandatory national bus pass, such as a 0900 start instead of 0930 and companion passes. These discretions have to be funded by the district council concerned.
- 1.3.12 The Department for Transport considers it probable (and preferable) that under any new administrative arrangement the

authority responsible for the statutory concession would also lead on implementing any such discretionary concessions.

- 1.3.13 The preferred option is to move this responsibility to the upper tier authorities only, to ensure that efficiency savings are not lost and any potential confusion over eligibility and acceptance is reduced or removed.
- 1.3.14 This would not preclude new discretions being implemented at the district council level in one of three ways;-
- At the instigation of the upper tier authority
 - At the instigation of the district council (who would fund it, whilst the upper tier authority administer it)
 - At the instigation of a district council using well being powers, under which it would organise the scheme itself.
- 1.3.15 Such district council led discretions would, as now, have to be funded by the districts themselves.
- 1.3.15 CONSIDERATION
- 1.3.16 In recent years the district councils and Medway Council have joined together with Kent County Council to deliver the mandatory concession as the Kent Countywide scheme. Kent County Council then co-ordinate the operation of the scheme employing MCL Transport Consultants to undertake the negotiations and payments to operators and provide expert technical and legal advice. MCL Transport Consultants also lead on the provision and issue of the smart card pass ensuring commonality of systems in the county. This has enabled some efficiencies of scale to be obtained in the administration of the scheme, together with the spreading of costs involved in obtaining specialist and legal advice.
- 1.3.17 There have been some tensions between Kent County Council, acting as the Transport Authority, and the districts over how some aspects of the scheme should operate, particularly the discretionary elements and how these should be financially apportioned. At times it is then difficult to get a consensus decision from the districts.
- 1.3.18 If responsibility for the mandatory concession is transferred to Kent County Council, who is the Transport Authority, this would enable decisions on concessionary travel to be clearly linked to the provision of local bus services and their policies on access to services.

- 1.3.19 Although a number of economies of scale have already been achieved through the Kent Countywide arrangement it is likely that a move from districts to county would enable some additional savings to be identified. It will not be clear until later in the process what actual effect there would be on staffing at Maidstone borough council, but it is possible that the equivalent of 1FTE could be saved.
- 1.3.20 At this stage it is not possible to identify the financial effect of such a change of responsibility. The consultation paper does make it clear that this would be the subject of a further consultation in July 2010. Such a change would however remove the current ongoing uncertainty as to the future costs of providing the concession from limited government funding.
- 1.3.21 It is therefore recommended that the government's preferred option of transferring responsibility to upper tier authorities is accepted in the response.
- 1.3.22 The response also states that district councils should retain the ability to make discretionary arrangements to ensure that the council retains the option of continuing the current transport voucher scheme, or introducing other schemes if they are considered appropriate.
- 1.3.23 RESPONSE TO THE DEPARTMENT FOR TRANSPORT
- 1.3.24 The consultation from the Department for Transport includes a pro forma response of ten standard questions. These have been completed in accordance with the recommendations in paragraphs 1.3.17 and 1.3.18 and are attached as **Appendix A**.
- 1.4 Alternative Action and why not Recommended
- 1.4.1 To fail to respond to the Department for Transport consultation would mean that the council's views would not be taken into account.
- 1.5 Impact on Corporate Objectives
- 1.5.1 Maintaining the availability of a concessionary travel scheme, and particularly an alternative for those who are unable to use conventional bus services meets with the corporate objective of helping to develop an efficient, sustainable, integrated transport system.

1.6 Risk Management

- 1.6.1 There is a risk that the transfer of responsibility for Concessionary travel to an upper tier authority may lose an element of local control over such matters. The council would however still retain the ability to take its own action under its well being powers.

1.7 Other Implications

1.7.1

1. Financial	X
2. Staffing	X
3. Legal	X
4. Equality Impact Needs Assessment	X
5. Environmental/Sustainable Development	
6. Community Safety	
7. Human Rights Act	
8. Procurement	
9. Asset Management	

1.7.2 FINANCIAL

- 1.7.3 The financial implications of the potential change will not clear until the outcome of subsequent consultation by the Department for Transport in July 2010 is known (see 1.3.2).

1.7.4 STAFFING

- 1.7.5 The implications on staffing will not be clear until the Department for Transport announces its decision after the consultation has been completed.

1.7.6 LEGAL

- 1.7.7 The Concessionary Bus Travel Act 2007 contains powers to make secondary legislation which could transfer the responsibilities for

administering concessionary travel to either upper tier authorities or central government.

1.7.8 EQUALITY NEEDS ASSESSMENT

- 1.7.9 There is a risk that a transfer of responsibility for concessionary travel away from district council's to upper tier authorities could remove the ability to make local arrangements to meet local need, particularly where those who are unable to use conventional bus services. It is therefore strongly recommended in the council's response that the ability to make such arrangements under well being powers must remain at the district council level.

1.8 Background Documents

- 1.8.1 Department for Transport – possible changes to the administration of concessionary travel – consultation paper April 2009.

Accessible from the Department for Transport website at;-

www.dft.gov.uk/consultations/open/concessionarytravel/

NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED

Is this a Key Decision? Yes ☐ No ☒

If yes, when did it appear in the Forward Plan? _____

Is this an Urgent Key Decision? Yes ☐ No ☒

Reason for Urgency

[State why the decision is urgent and cannot wait until the next issue of the forward plan.]

How to Comment

Should you have any comments on the issue that is being considered please contact either the relevant Officer or the Member of the Executive who will be taking the decision.

Mark Wooding

Cabinet Member for Environment
Telephone: [Telephone Number]
E-mail: [Email Address]

Clive Cheeseman

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CONSULTATION RESPONSE FORM

CONSULTATION ON POSSIBLE CHANGES TO THE ADMINISTRATION OF CONCESSIONARY TRAVEL

PART 1 - Information about you

Name	Clive Cheeseman
Address	Maidstone House, King Street, Maidstone, Kent
Postcode	ME15 6JQ
email	clivecheeseman@maidstone.gov.uk
Company Name or Organisation (if applicable)	Maidstone Borough Council
Please tick one box from the list below that best describes you /your company or organisation.	
<input type="checkbox"/>	Small to Medium Enterprise (up to 50 employees)
<input type="checkbox"/>	Large Company
<input type="checkbox"/>	Representative Organisation
<input type="checkbox"/>	Trade Union
<input type="checkbox"/>	Interest Group
<input checked="" type="checkbox"/>	Local Government
<input type="checkbox"/>	Central Government
<input type="checkbox"/>	Police
<input type="checkbox"/>	Member of the public
<input type="checkbox"/>	Other (please describe):
If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:	
If you would like your response or personal details to be treated confidentially please explain why:	

PART 2 - Your Comments

1. Are there other problems, stemming from current administrative arrangements, that are not covered by this list?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

There can be conflict between districts in area schemes, particularly when they wish to have different local concessions or they appear to be inequitably funded according to the actual use of passes in each district. With growing pressures on such costs there is a risk that area schemes will become increasingly difficult to maintain

2. Do you think that the current level of administration is the most appropriate?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

It is better if districts can combine into an area scheme which brings economies of scale and enables specialist advice to be engaged. This becomes more difficult however as cost pressures increasingly become an issue and some districts no longer wish to continue on the same basis.

3. Do you think a system of 'higher-tier' administration would be the most appropriate?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

Yes, as this should make it easier for passengers and bus operators to understand and operate with fewer artificial boundaries. It is also likely to bring some cost saving, particularly in respect of the application process.

There must however be a requirement that the higher authority consult and obtain a majority decision from the districts before making scheme changes. In parallel districts must then retain an ability to operate other transport concession schemes under well being powers e.g. vouchers, should they consider that any such changes do not reasonably reflect local needs.

4. Do you think a centrally administered statutory minimum concession would be most appropriate at this time?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

Ideally no as it would remove the concession too far away from local control and restrict the ability to pursue any local needs and concerns. It is also, as stated in the consultation, likely to be unnecessarily cumbersome and costly to manage. If this option is proceeded with districts must retain a power to operate other transport concession schemes e.g. taxi vouchers (under well being powers) should they consider it necessary to meet local needs

5. Do you think a regional tier of administration might ultimately be most appropriate?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

No, as this would similarly remove the concession too far away from "local" control, to an authority with no effective engagement or understanding of local transport issues and providers.

6. Are there other options for administering the statutory minimum concession that are missing from this list?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

None that we can identify.

7. Should all local authorities retain the ability to establish discretionary travel concessions using powers under the 1985 Transport Act as now?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

The bus pass only caters for those who have bus services and are able to access them. It does not cater for those people who live in areas without bus services or for those who through mobility impairment are unable to access buses. It is essential therefore that such local discretions are retained.

8. Should the ability to establish discretionary travel concessions using powers under the 1985 Transport Act be limited to upper tier authorities only?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
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Please explain your reasons and add any additional comments you wish to make:

No this risks local concerns being ignored and does not enable district councils to use their well being powers appropriately. See also answer to question 7 above.

9. Should lower tier authorities ability to establish discretionary travel concessions using powers under the 1985 Transport Act be limited to circumstances where they had to act jointly with upper tier authorities only?	YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>
Please explain your reasons and add any additional comments you wish to make: District councils must retain a freedom to introduce specific local concessions and discretions to enable them to react to specific local issues. See also answers to questions 7 and 8 above.		

10. Do you have any relevant data that could inform the cost/benefit estimates that will be used in the final Impact Assessment?	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Please explain your reasons and add any additional comments you wish to make: No		

11. Bearing in mind that there would be a separate consultation on the funding implications of any changes to the administration of concessionary fares, are there any other issues around funding that are not considered here?	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Please explain your reasons and add any additional comments you wish to make: There is a clear imbalance caused by disproportionate demand between neighbouring districts due to the location of key shopping and business centres and transport interchanges. In our case significant numbers of people from surrounding districts visit the town to shop or for business and we must fund all of these return journeys. We are also a key interchange point for bus services for those undertaking longer journeys within the county. In addition we are "fortunate" to have a high level of bus service provision in both the urban and rural areas. This leads to a much higher level of demand (and cost) than in many surrounding district areas. It is unrealistic to expect or assume that districts which belong to countywide schemes are paying all of their special grant funding into the scheme to the benefit of other districts. This is not the case. It is clear that many have received more special grant funding than the additional costs they are required to pay and have benefitted from this. This must be taken into account in the next stage of the consultation process. The funding situation has been exacerbated where appeals have been granted by the DfT, and no additional funding is provided to match this. Simply removing "current" expenditure on concessionary travel risks leaving many districts		

worse off than before it was introduced. When individual bus companies are to be left no worse off than before, why should districts be treated differently?

If you have any other general comment that you would like to make concerning this consultation, please give them here:

None