

MAIDSTONE BOROUGH COUNCIL

CABINET MEMBER FOR THE ENVIRONMENT

**REPORT OF ASSISTANT DIRECTOR OF DEVELOPMENT AND
COMMUNITY SERVICES**

Report prepared by Clive Cheeseman

Date Issued: 14 May 2009

1. BUS PASSES ON COMMUNITY TRANSPORT

1.1 Issue for Decision

- 1.1.1 To consider funding the acceptance of the National Bus Pass on Community Transport Services provided in the Maidstone Borough Council area which are not automatically entitled to be included in the scheme.

1.2 Recommendation of Assistant Director of Development and Community Services

- 1.2.1 That Maidstone Borough Council allows the Community Transport Services operated under Section 19 Minibus permits, by Lenham and Stockbury Parish councils, to be included within the National Bus Pass Concessionary Travel Scheme (Kent Countywide).

- 1.2.2 Any further Community Transport schemes that commence operation in the Maidstone Borough Council would be the subject of a further report to the Cabinet Member.

1.3 Reasons for Recommendation

- 1.3.1 In June 2007 three post bus services that had been operating in the Maidstone Borough Council area were withdrawn (serving the Lenham rural area, Stockbury/Detling and Loose/Coxheath). They had operated on Mondays to Fridays as public bus services and as such were required to accept concessionary bus passes.

- 1.3.2 Kent County Council decided not to replace these services, indicating that this was because the cost of subsidising each passenger journey exceeded their guideline for doing so. However following representations from Lenham Parish Council they agreed to fund a limited service on one day a week whilst the Parish Council set up a Community Transport operation. The County Council is providing some

assistance towards the setting up of a Community Transport operation at Lenham, including the supply of a vehicle, and the same assistance has been offered to Stockbury Parish Council who are also intending to start a similar operation.

- 1.3.3 It is understood that Kent County Council have been approached on behalf of Stockbury Parish Council about obtaining re-imbursement in respect of accepting bus passes on their services. They have been advised that this will be a matter for the Borough Council to decide as such operations are not automatically included in the Kent Countywide scheme. The reason for this relates to the type of Minibus Permit under which the scheme is operated. There are two types. A section 22 permit is for services which are open to the general public and such services are required to be allowed into the scheme. However a section 19 permit, under which Lenham and Stockbury are currently planning to operate is for a "closed door" i.e. membership based service, which is not automatically included. Under the scheme rules it is then up to the Council in whose area journeys are being undertaken as to whether they agree to fund the acceptance of passes on those services.
- 1.3.4 The administrators of the Kent Countywide scheme have been forwarded details of the services that Lenham are initially planning to operate. These are for services to Maidstone on three days a week with an expected average patronage of 10 passengers with bus passes, and a single adult fare for other passengers of £3.00 single. Based on these figures we have been advised that reimbursement for this scheme would be in excess of £5,000 in a full year.
- 1.3.5 A smaller figure is likely in respect of the intended Stockbury operation, though details of their planned services have not yet been supplied. This suggests a figure of around £10,000 in 2009/10 for both schemes.
- 1.3.6 By comparison a post bus service would normally carry around half that number of people at a lower fare and receive around a quarter of that amount in reimbursement.
- 1.3.7 These schemes could alternatively apply to the Traffic Commissioner for a Section 22 permit, and bus passes would then have to be accepted on the services and reimbursed.
- 1.3.8 At the time these schemes were initially being considered it was not clear what type of permit they would operate under and the organisers apparently assumed that bus passes could be accepted by their service and they would be reimbursed for this. Many of the planned service users had previously been able to use their passes on the post buses or the temporary replacement service, and have no other alternative

bus services that they can use. There is likely to be adverse public reaction if they are not allowed to use them on the services.

- 1.3.9 If the Community Transport schemes are not allowed to accept bus passes under section 19 permit operations and be reimbursed for this, it may also affect the viability of their planned operations. Refusing them may appear to be pointless if they then simply apply for a section 22 permit instead.

1.3.10 Finance

- 1.3.11 As indicated in paragraph 1.3.4 the estimated cost of reimbursing the Lenham scheme is £5,000 a year. It is likely that Stockbury would cost a similar figure giving a potential initial liability of around £10,000 for the two schemes.

- 1.3.12 However should these, or any other scheme operate under a Section 22 permit, instead of section 19 they would automatically have to be admitted to the Kent countywide scheme and Maidstone Borough Council would have to pay the cost of reimbursement.

- 1.3.13 The cost of funding the National Bus Pass increased quite considerably during the 2008/09 financial year. In mid March 2009 the latest figures from the scheme administrators indicated that the expected costs had risen by around 20% above those which had been predicted earlier in the year. Although the final figures for the financial year will not be available for some months they are not expected to reduce and should be expected to remain at a similar or higher level for the 2009/10 financial year. In addition a bus operator appeal to the Secretary of State against the 2008/09 scheme resulted in an award of additional payments. Whilst this only had a limited effect on Maidstone for the 2008/9 year it has the potential to cause considerable additional costs to all Districts in the 2009/10 financial year. Whilst it is expected that these costs can be met within the allocated budget there is unlikely to be any spare money available to fund any other additional concessions or costs.

1.4 Alternative Action and why not Recommended

- 1.4.1 If the requests are refused the operations are likely to apply for a section 22 permit instead and would then automatically be allowed to accept bus passes. Causing such a delay would result in poor public perception of the council.

1.5 Impact on Corporate Objectives

- 1.5.1 The matters discussed impact on the ability of residents to access council and other local services.

1.6 Risk Management *COMPULSORY*

1.6.1 There is a risk that allowing these two schemes to accept bus passes will set precedence that any others considering operating Community Transport schemes may wish to follow.

1.7 Other Implications [Insert an 'X' in the boxes below to indicate if the recommendations will have any implications in the specified area]

1.7.1

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

1.7.2 The financial implications are considered in paragraphs 1.3.10 to 1.3.13 above.

1.8 Background Documents

1.8.1 None

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.

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