

NORTH LINCOLNSHIRE COUNCIL

**CHILDREN AND FAMILIES
CABINET MEMBER**

CONCESSIONARY FARES 2021/22 - PUBLICATION OF DRAFT SCHEME

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To approve a “Draft Scheme” for concessionary fares reimbursement.
- 1.2 An urgent decision is required because the draft scheme has to be published by 1 December 2020.

2. BACKGROUND INFORMATION

- 2.1 The Council, as a Travel Concession Authority, has a duty to provide free travel for older people and people with disabilities between 9.30am and 11.00pm, Monday to Friday and all day at weekends and bank holidays. This is part of the English National Concessionary Travel Scheme (ENCTS). We reimburse bus operators for concessionary passengers that travel on local registered bus services boarding within North Lincolnshire.
- 2.2 With effect from 2017/18, we have moved to a voluntary capped fund arrangement with bus operators. We have used the Department for Transport’s (DfT) reimbursement calculator as the basis for negotiations. We propose to continue with this methodology. Initial analysis of concessionary travel during 2020/21 shows trip numbers have drastically decreased during 2020/21 compared with the previous year due the Covid 19 pandemic.
- 2.3 Smaller operators with infrequent services (eg once per week) and community transport providers will have simpler arrangements which is permitted in DfT guidance.
- 2.4 The law requires us to issue passes to eligible residents. Bus operators are reimbursed for carrying concessionary passholders, on a “no better off and no worse off” basis.
- 2.5 There are currently 25,617 North Lincolnshire passes in circulation. The breakdown of the passes is:

- Elderly 23,131
- Disabled 1,475
- Disabled with companion 1,011

2.6 The qualifying age for the elderly pass is issued in line with a women's retirement pension age (currently 65). This has seen a reduction in passes issued and is expected to reduce further as the state pension age for women gradually increases, reaching 66 by 2020.

2.7 The Department of Transport have asked Local Authorities to maintain concessionary travel reimbursement payments at pre-COVID levels and operators continue to receive pre-COVID level payments, this will continue until the DfT update us later this year or early next year.

3. **OPTIONS FOR CONSIDERATION**

3.1 The recommendation is for the Cabinet Member to approve the proposed "Draft Scheme" as attached.

4. **ANALYSIS OF OPTIONS**

4.1 The "Draft Scheme" as set out in the appendix follows the DfT guidance. The draft scheme has to be published by 1 December. This allows an opportunity for transport operators and affected residents to comment prior to final publication of scheme arrangements at the beginning of March – 28 days before the scheme starts on April 1st. If we do not publish a scheme then we will not have a method of reimbursing bus and rail operators for concessionary bus passes.

4.2 To not publish the "Draft Scheme" would leave the Council open to challenge from bus operators.

5. **FINANCIAL AND OTHER RESOURCE IMPLICATIONS (e.g. LEGAL, HR, PROPERTY, IT, COMMUNICATIONS etc.)**

5.1 **Financial:** Adopting the "Draft Scheme" as set out in the appendix will allow delivery of the concessionary fare scheme for 2021/22.

5.2 There are no other resource implications to consider.

6. **OTHER RELEVANT IMPLICATIONS (e.g. CRIME AND DISORDER, EQUALITIES, COUNCIL PLAN, ENVIRONMENTAL, RISK etc.)**

6.1 There are no other relevant implications.

7. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

7.1 The Integrated Impact Assessment (IIA) recognised there is the potential for an adverse impact on the subsidised bus routes if there were reductions to the concessionary fare reimbursement payment. Any decision should understand the potential for a reduction in the bus network. If we were to remove any of the discretionary elements of the bus pass scheme then this could lead to reputational risks.

7.2 There are however no impacts in adopting the “Draft Scheme”

8. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

8.1 The bus operators have been verbally informed that we intend to continue with the current method of reimbursement.

9. RECOMMENDATIONS

9.1 That the Cabinet Member approves the “Draft Scheme” as attached.

9.2 That the Cabinet Member considers whether to amend any aspects of the scheme before the final scheme is published in early March 2021.

DEPUTY CHIEF EXECUTIVE AND EXECUTIVE DIRECT OF COMMERCIAL

Church Square House
SCUNTHORPE
North Lincolnshire
Post Code DN15 6NL
Author: Heather Barratt
Date: 23 October 2020

Background Papers used in the preparation of this report –

- Transport Act 1985 and 2000.
- Concessionary Bus Travel Act 2007.
- DfT Concessionary travel for older and disabled people: guidance on reimbursing bus operators (England) published in September 2017 for schemes commencing in April 2018 (updated guidance has not been issued by DfT)
- DfT Guidance to local authorities on assessing eligibility of disabled people in England for concessionary bus travel version 1.2 (2013)

SAFE WELL PROSPEROUS
CONNECTED

Travel Concession Scheme for Elderly and Disabled People 2021/22

Draft version published 1 December 2020

Simon Green
Deputy Chief Executive and Executive Director of Commercial

Church Square House,
30-40 High Street,
Scunthorpe, DN15 6NL

North Lincolnshire Council Travel Concession Scheme

Draft Scheme Statement 2021/22

1. Introduction and Amendments

- 1.1 This document sets out the details of North Lincolnshire Council's Travel Concession Scheme as required by the Transport Act 1985, Section 149 of the Transport Act 2000 and the Concessionary Bus Travel Act 2007.
- 1.2 It replaces the scheme statement which came into operation on 1 April 2020.
- 1.3 This scheme is intended to cover the financial year 2021/22..

2. Travel Concessions for Elderly and Disabled People

Where and When the Scheme Applies

- 2.1 The scheme covers the whole of the Unitary Authority of North Lincolnshire.
- 2.2 For holders of English National Concessionary Travel Scheme (ENCTS) passes issued by other authorities who may board buses in North Lincolnshire, the scheme applies between 9.30am and 11.00pm Monday to Friday and all day on Saturdays, Sundays and bank holidays.
- 2.3 For holders of passes issued by North Lincolnshire Council, the scheme may offer additional discretionary entitlement journeys beginning within the boundary of North Lincolnshire.

Statutory Minimum Requirement and Discretionary Enhancements

- 2.4 The Council provides the statutory minimum requirement to provide free travel on any local bus services between 9.30am and 11.00pm Monday to Friday and at all times on Saturdays, Sundays and bank holidays.
- 2.5 In addition to the statutory scheme, the Council also provides the following discretionary enhancements for North Lincolnshire residents:
 - Free travel on local bus services before 9.30am and after 11.00pm Monday to Fridays;
 - Free or discounted local train travel; and
 - Free bus travel or discounted local rail travel for companions of disabled people who cannot use buses or trains on their own.

Bus Services on which the Scheme Applies

- 2.6 The concession provides free travel for passholders on all local bus services running wholly or partly within North Lincolnshire.
- 2.7 "Local Bus Service" has the meaning defined by Section 2 of the Transport Act 1985.

- 2.8 CallConnect services: The concession is available on CallConnect running wholly or partly within North Lincolnshire to meet the needs of members of the public who are elderly or have disabilities. The operator of the CallConnect buses will not be reimbursed as the contract is let on a fixed daily rate basis.
- 2.9 Dial a Ride Services: The concession is available on dial a ride and other services provided under Section 22 of the Transport Act 1985 running wholly or partly within North Lincolnshire to meet the needs of members of the public who are elderly or have disabilities.
- 2.10 The concession is not available on long distance coach or bus routes which are not registered as local services or on excursions, tours, private hire vehicles, special services and any others which are not open to the general public.
- 2.11 Bus operators will be allowed to join the scheme or add services to the scheme at any time. Failure to provide adequate advance notice of this to the Council may result in delayed reimbursement payments.

Rail Services on which the Scheme Applies

- 2.12 A holder of a valid North Lincolnshire pass (see paragraph 2.23) and companions of people with disabilities may be allowed a reduction of:
- 50% of the cost of a standard class return rail ticket: and
 - 34% of the cost of a standard class single ticket.

on local rail journeys within the area defined in paragraphs 2.14 and 2.15.

- 2.13 A holder of a valid North Lincolnshire pass with a two trains symbol may be allowed to travel free in standard class accommodation on local rail services within the area defined below. Passes for elderly people and some of the seven categories of disability may receive a pass with one train. The eligibility for one train and two trains is set out in paragraph 2.23.
- 2.14 The concession may be available for any passenger journey made between any two stations in North Lincolnshire and between any North Lincolnshire station and: Habrough, Healing, Stallingborough, Great Coates, Grimsby Town, Grimsby Docks, New Clee and Cleethorpes.
- 2.15 Any rail concession will only be available via Barnetby for any passenger journey made between North Lincolnshire stations and Gainsborough Central, Lincoln, and Market Rasen.
- 2.16 The concession is not valid on excursion or special rail services and any others which are not open to the general public.

General Requirements

- 2.17 The pass is not transferable and may only be used by the person to whom it was issued.
- 2.18 The concession is only available to people who normally live within North Lincolnshire. They will be:

- eligible for inclusion on the North Lincolnshire electoral roll; or
 - in the case of a disabled person aged under 18, have parents eligible for inclusion on the North Lincolnshire electoral roll; or
 - be known to the Council's Adults and Community Well-being or Children and Community Resilience Directorates as resident within North Lincolnshire.
- 2.19 Possession of a travel concession pass does not guarantee any person the right to a place on any particular train or passenger service vehicle, or the right to a seat on such a vehicle.
- 2.20 All people travelling using a concessionary pass are subject to the conditions of carriage of the public transport operators. They will be asked to show proof of eligibility on boarding any bus and may also be asked to show proof of eligibility at any time on any journey. Where a bus is fitted with electronic pass recognition equipment, the passholder must ensure that the electronic transaction is completed. The Council accepts no liability for any loss, injury or inconvenience incurred as a result of using a concessionary pass.
- 2.21 Passes are normally valid for up to five years depending on the category of disability. There will be a charge of £10 for replacement passes unless the pass has been stolen and a crime number is provided. This includes a change of name or a new photograph during the tenure of the card. We will provide one replacement during the tenure of the card if it is faulty and is presented for inspection and is in good conditions. Renewals of card continue to be replaced free of charge.
- 2.22 The Council reserves the right to withdraw, amend or replace any pass.
- 2.23 The categories of people eligible to receive a pass are:
- Older people, defined as: in the case of a woman, from her pensionable age: in the case of a man, from the pensionable age of a woman born on the same day.
 - People who receive one of the following automatically qualify for a disability pass:
 - Higher rate mobility component of disability living allowance*; or
 - Personal Independence Payment where the applicant has been awarded at least eight points against either the "moving around" and/or "communicating verbally" activities. Please note that 8 points provides a one train pass and 12 points or more provides a two train pass *; or
 - War pensioner's mobility supplement*, or
 - A Blue Badge.
 - People who are profoundly or severely deaf.
 - People without speech.
 - People who are blind or partially sighted.*
 - People who are limbless.
 - People who have a learning disability, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning.*
 - People who have a disability, or have suffered an injury, which has a substantial and long-term adverse effect on their ability to walk.*

- People if applied for the grant of a licence to drive a motor vehicle under Part III of the Road Traffic Act 1988, have their application refused pursuant to section 92 of the Act (physical fitness) otherwise than on the grounds of persistent misuse of drugs or alcohol.

*indicates that the category would be entitled to two trains to allow free local rail travel.

- 2.24 Applicants with disabilities must have an impairment which is permanent or likely to last at least 12 months.
- 2.25 The Council will also provide concessionary travel for companions of people who are unable to travel on public transport by themselves. This will be indicated by a “+C” symbol on the disabled person’s pass, not by the issue of a separate pass to the companion. Separate guidance is issued on eligibility for companion passes. Companion passes will not be given to children until they reach secondary school.
- 2.26 Concessionary passes are not available to eligible children under five as they would normally travel free of charge on local bus services.

Pass Issue

- 2.27 In order to obtain the travel concession, eligible people must first obtain an identification pass. The Council will accept applications at advertised times and places.
- 2.28 Applicants will be asked for proof that they are eligible, as specified by the Council. The Council or its contractor will take a photograph and issue the pass. It will be sent to the applicant by post.
- 2.29 Applicants who require a companion to accompany them must provide written confirmation as specified by the Council that he or she can only travel on public transport with a companion.

3 Participation of Public Transport Operators in the Scheme and Reimbursement of Revenue Forgone

General Conditions

- 3.1 Section 145 (1) of the Transport Act 2000 and Section 1 of the Concessionary Bus Travel Act 2007 require operators to provide free concessionary travel on local bus services for people in possession of an ENCTS pass.
- 3.2 All operators participating in the scheme shall recognise and accept a valid ENCTS pass as reasonable proof of the holder's entitlement to concessionary travel within the defined boundaries of the scheme.
- 3.3 Where a bus or vehicle is fitted with electronic pass recognition equipment, the operator should ensure that the electronic transaction is completed.
- 3.4 Before allowing travel at concessionary rates, the driver, conductor, inspector or ticket office clerk shall exercise reasonable care that the pass shown is being used by the person whose photograph it bears and the pass is not beyond its expiry date. We will hotlist on a regular basis all expired and invalid passes.
- 3.5 Operators are required to provide accurate and timely records of the number of passholders boarding their services in North Lincolnshire.

- 3.6 All operators will inform the Council of any changes in services or fares on any services on which concessions are available. This information shall be given not later than seven days before any change is made.
- 3.7 Normal reimbursement arrangements may be amended by specific terms or requirements set out in local bus service contracts issued by the Council.

Principles

- 3.8 The Council will reimburse local bus operators for:
- journeys made by holders of ENCTS passes issued in other areas starting within North Lincolnshire after 9.30am, Monday to Friday and all day on Saturday, Sunday and bank holidays; and
 - discretionary journeys made in accordance with the scheme by North Lincolnshire passholders starting within North Lincolnshire at any time on any day.
- 3.9 The Council will also reimburse operators of local bus services for free travel by companions of disabled people who hold ENCTS travel passes issued by:
- Hull City Council,
 - The East Riding of Yorkshire Council,
 - South Yorkshire Passenger Transport Executive, and
 - North East Lincolnshire Council
- for journeys returning from North Lincolnshire to their home authority area after 9.30am, Mondays to Fridays and without time limit on Saturdays, Sundays and bank holidays.
- These passholders will have a pass bearing the same "+C" symbol which is used by North Lincolnshire Council.
- 3.10 The Council is required by law to reimburse bus operators for carrying concessionary passengers, on the principle that the operators are "no better off and no worse off" by taking part in a concessionary travel scheme.

Methodology

- 3.11 North Lincolnshire Council acknowledges the current situation regarding COVID-19 and the measures in place to reimbursement bus operators for concessionary travel at pre-COVID levels as encouraged by the Department for Transport. While this continues to be national policy, the Council will look to reimburse bus operators in this way. In the event that this policy changes during the 2021-22 scheme, the Council will reimburse bus operators as set out below.
- 3.12 In reimbursing operators, North Lincolnshire Council will adopt as its standard method of reimbursement a voluntary capped fund arrangement where operators are reimbursed a fixed level of reimbursement for the scheme year. This fixed level of reimbursement will use all available evidence to ensure reimbursement meets the no better and no worse position.

The voluntary capped fund arrangement can only be agreed if operators of services that together carry at least 80% of all concessionary trips originating in North Lincolnshire voluntarily agree to the arrangement. In the event of this threshold not being met, then the Council will use the Department for Transport's (DfT) reimbursement calculator, in accordance with the associated guidance issued by the DfT.

If there is no agreement for the voluntary capped fund arrangement and the DfT reimbursement calculator is adopted with which to reimburse participating operators, then it is not intended to differentiate between the statutory and discretionary elements of the scheme. There won't be a different reimbursement rate for journeys made before 9.30am. The Council will reimburse operators marginal capacity costs for subsidised bus services.

Payments

- 3.13 The Council recognises the importance of prompt concessionary fare payments in maintaining operators' cash flow.
- 3.14 Where the estimated total sum due to the operator during the period of the scheme exceeds £10,000, the Council will make payments in the middle of each four week period throughout the year.
- 3.15 For existing operators, these payments will be approximately one thirteenth of the total sum payable.
- 3.16 For existing operators whose reimbursement claims are under £10,000, payments will be made quarterly. These payments will be approximately one quarter of the total sum payable.
- 3.17 For new operators, each payment will comprise:
 - An on-account payment of 85% of the estimated total for the period
 - A balancing payment which will be calculated by using this methodology.
- 3.18 The Council may withhold up to 15% of the monthly payment if any operator fails to provide within four weeks of the previous month end accurate records of the number of passholders boarding their services at stops within North Lincolnshire.

Confidentiality

- 3.19 The Council will treat any information provided by any operator in the utmost confidence and this information shall be used for the purposes of administering the North Lincolnshire concessionary travel scheme only.

Access for Survey

- 3.20 All operators will be required to allow the Council's officers to have access, free of charge, with reasonable frequency to their vehicles on which concessions are available to:

- survey, count or estimate the number of passholders carried and the fares paid; and
- obtain any other information which the Council considers necessary to enable it to calculate or verify payments due under the concessionary fare scheme.

Access for Audit

- 3.21 In order that the Council may verify claims for reimbursement, operators may be required to make available to officers of the Council books, vouchers, records (including computer records) and documents relating to their claims.
- 3.22 Operators may also be required to provide such further information and explanations relating to the above books, vouchers, records and documents as the Council thinks necessary.

Simon Green
Deputy Chief Executive and Executive Director of Commercial
North Lincolnshire Council
Draft version