

NORTH LINCOLNSHIRE COUNCIL

**HIGHWAYS AND PLANNING
CABINET MEMBER**

**PUBLIC TRANSPORT:
CHANGE IN THE AGE OF ELIGIBILITY FOR CONCESSIONARY TRAVEL**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the implications of the change to the age of eligibility for concessionary travel made by the Government.
- 1.2 Over the next few years the qualifying age for free bus travel will rise from 60 until it is 65 by 2020.
- 1.3 The changes do not affect anyone who will qualify for a pass on the grounds of disability.
- 1.4 We recommend that the council should publicise the changes made by the Government which will affect applicants from 6 April 2010.

2. BACKGROUND INFORMATION

- 2.1 At the moment, both men and women qualify for free local bus travel throughout England on their 60th birthday.
- 2.2 On 1 March, the Government made an order which will raise the qualifying age gradually over the next ten years until people will become eligible only on their 65th birthday. This is in line with the planned rise in the retirement pension age for women.
- 2.3 This change will start to take effect on 6 April 2010. Under the new arrangements, the qualifying date for free travel is defined as:
 - For women: pensionable age.
 - For men: the pensionable age of a woman born on the same day.
- 2.2 The Government says that this change will “assist in securing the long term financial sustainability of the scheme”. It also targets the benefit

towards people who are retired and may have less money and difficulties getting about.

3. OPTIONS AND ANALYSIS

- 3.1 When the order takes effect on 6 April, under transport legislation it will no longer be possible for the Council to issue passes to people below the qualifying age.

4. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

4.1 Financial

4.1.1 The budget for concessionary fare reimbursement in 2010/11 is £1,722,000. (This is the money paid to operators to replace lost fare revenue). It is very difficult for the Council to control the cost of the scheme – we cannot tell operators what fares to set or tell passholders how many journeys to make.

4.1.2 It is also difficult to calculate the amount of money saved by the change in the qualifying age because this depends both on the number of passes issued and the number of trips made by each passholder. However, we estimate that about 20% of reimbursement is due to passholders aged between 60 and 64 who do not have a disability. Because the change is being phased in, any cost reduction in 2010/11 will be small but by 2020/21 we might expect the scheme to cost £340,000 less at current prices. However, we also expect that Government grants will fall at the same rate so this will not be a net saving to the Council.

4.1.3 The cost of the scheme is largely borne by funding from the Government via block grant and special grant. The funding regime will change in April 2011 and we expect that grants will be much more closely aligned to the actual cost of the statutory scheme.

4.2 Other Resource Implications

4.2.1 The qualifying age will rise gradually, month by month. We must explain this carefully to applicants and let them know when they will become eligible. We need to revise the explanatory leaflet about the travel scheme and also involve Local Link and Public Relations staff. This can be done within existing budgets and staffing.

4.3 There are no staffing, property or IT implications.

5. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

5.1 Statutory:

5.1.1 The Travel Concessions (Eligibility) Act 2002 set the qualifying age for men and women as 60. The Travel Concessions (Eligibility) (England) Order 2010 made on 1 March amends this. It sets out a series of rising qualification ages until everyone will qualify on their 65th birthday by 2020.

5.2 Environmental:

5.2.1 Under 65's have to wait longer to be eligible for a free travel pass. It is possible that they may be more likely to use private transport rather than local buses during this time.

5.3 Diversity:

5.3.1 These changes in the qualifying age concentrate the benefit of free travel on older people who are less likely to be in employment, more likely to have a low or fixed income and more likely to have impaired mobility.

5.3.2 People aged between 60 and 64 who have a disability will continue to be eligible for a travel pass, regardless of their age.

6. OUTCOMES OF CONSULTATION

6.1 There has been no time for any consultation on this issue.

7. RECOMMENDATIONS

8.1 That the Council publicises the changes in the qualifying age for travel passes now set out by the Government with effect from 6 April 2010.

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Background Papers used in the preparation of this report:

The Travel Concessions (Eligibility) (England) Order 2010
Guidance for Local Authorities on the change in the age of eligibility for
Concessionary Travel, March 2010