

**NORTH LINCOLNSHIRE COUNCIL**

**ENVIRONMENT  
CABINET MEMBER**

**CONCESSIONARY FARES 2017/18 - PUBLICATION OF FINAL SCHEME**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 To review the method used to set the reimbursement rate for the Council's concessionary fare scheme for 2017/18.
- 1.2 To approve a "Final Scheme" for concessionary fares reimbursement.
- 1.3 An urgent decision is required as the final scheme must be published by 3 March 2017 in order for it to come into effect on 1 April 2017.

**2. BACKGROUND INFORMATION**

- 2.1 The Cabinet Member took a decision on 1 December 2016 to use the method recommended by the Department for Transport (DfT) to calculate the reimbursement rates for the council's concessionary fare scheme for 2017/18. This decision was deferred for one year by continuing with the old methodology for 2016/17. Bus operators are reimbursed for carrying concessionary passholders, on a "no better off and no worse off" basis.
- 2.2 The draft scheme was published on 1 December 2016. The final scheme has to be published by 3 March 2017 in order for it to come into effect on 1 April 2017. Any changes to the discretionary parts of the scheme require 56 days' notice which will mean coming into effect part way through 2017/18.
- 2.3 Discussions have subsequently been held with operators with further discussion at North Lincolnshire's Quality Bus Partnership (QBP).
- 2.4 Subsequently, calculations were made with bus operators using the current methodology, the DfT methodology using different variables and consideration of a fixed pot.
- 2.5 We have had feedback from two bus operators. Both are supportive of the voluntary fixed pot methodology.

### 3. **OPTIONS FOR CONSIDERATION**

- 3.1 **Option 1** - That the Cabinet Member approves the proposed “Final Scheme” as attached using a voluntary fixed pot for an initial period of one year.
- 3.2 **Option 2** - That the Cabinet Member does not approve the proposed “Final Scheme” and considers staying with the current methodology.

### 4. **ANALYSIS OF OPTIONS**

- 4.1 Option 1 - The “Final Scheme” as set out in the appendix follows the recommended DfT guidance as the basis for apportioning the current budget between the bus operators. Option 1 reduces the risk of major changes to the current bus network which will have a detrimental impact on passengers.
- 4.2 Option 2 – We have calculated the reimbursement based on the current methodology.

### 5. **RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 **Financial:** Adopting the “Final Scheme” as set out in the attached will allow delivery of the concessionary fare scheme for 2017/18 within the budget approved for these purposes by Full Council in February 2017.
- 5.2 **Staffing:** The work involved in calculating reimbursement to operators which is the largest budget in public transport is intensive.

### 6. **OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)**

- 6.1 A full impact assessment was carried out for all three initial screening stage which are:
- Individuals/communities/workforce
  - Area/place
  - Other statutory – reputational risk

In summary the IIA captured that there is the potential for an adverse impact on the subsidised bus routes if there were reductions to the concessionary fare reimbursement payment.

### 7. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

- 7.1 We have consulted with the local bus operators Stagecoach East Midlands, Hornsby’s and East Yorkshire Motor Services. They

understand the reasons for moving to the DfT methodology and adopting a fixed pot.

## 8. RECOMMENDATIONS

- 8.1 That the Cabinet Member approves the Final Scheme as attached for an initial period of one year.
- 8.2 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 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.

### DIRECTOR OF OPERATIONS

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Date: 7 February 2017

### **Background Papers used in the preparation of this report:**

- Transport Act 2000.
- DfT Concessionary travel for older and disabled people: guidance on reimbursing bus operators (England) published in September 2015 for schemes commencing in April 2016.
- DfT Guidance to local authorities on assessing eligibility of disabled people in England for concessionary bus travel version 1.2 (2013)



**Travel Concession Scheme  
for Elderly and Disabled People  
2017/18**

Final version to come into effect on 1 April 2017

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# **North Lincolnshire Council Travel Concession Scheme**

## **Scheme Statement 2017/18**

### **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 2016.
- 1.3 This scheme is intended to cover the financial year 2017/18.

### **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 Local operators will be allowed to join the scheme or add services to the scheme at any time provided that they give the Council's public transport team at least 28 days notice in writing of their intention to do so.

### **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 people and transformation directorate 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. We will provide one replacement during the tenure of the card if it is faulty and is presented for inspection.
- 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.\*
    - War pensioner's mobility supplement.\*
  - People who are profoundly or severely deaf.
  - People without speech.
  - People who are medically unfit to drive (excluding those who are unfit to drive on the grounds of persistent misuse of alcohol or drugs).
  - People who are blind or partially sighted. Please note that partially sighted provides a one train pass and blind is a two train pass.\*
  - People who are profoundly or severely deaf.
  - 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 ground of persistent misuse of drugs or alcohol.

\*indicates that the category or an element of 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 English National Travel Concession Scheme (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 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.
- 3.4 Operators are required to provide accurate and timely records of the number of passholders boarding their services in North Lincolnshire.
- 3.5 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.
- 3.6 Normal reimbursement arrangements may be amended by specific terms or requirements set out in local bus service contracts issued by the Council.

## **Principles**

- 3.7 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.
- 3.8 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 Councilfor journeys returning from North Lincolnshire to their home authority area after 9.30am, Monday to Friday and without time limit on Saturday, Sunday and bank holiday.

These passholders will have a pass bearing the same “+C” symbol which is used by North Lincolnshire Council.
- 3.9 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**

- 3.10 The Council has amended the methodology for reimbursing bus operators. From April 2017, the Council will use a voluntary capped fund arrangement. The capped fund will come into operation on 1 April 2017 if agreement to participate in the capped fund has been confirmed by operators of services that together carry at least 80% of all concessionary trips originating in North Lincolnshire. 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.

- 3.11 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 also reimburse operators marginal capacity costs for subsidised bus services.

### **Payments**

- 3.12 The Council recognises the importance of prompt concessionary fare payments in maintaining operators' cash flow.
- 3.13 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.
- 3.14 For existing operators, these payments will be approximately one thirteenth of the total sum payable.
- 3.15 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.
- 3.16 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.
- 3.17 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**

- 3.18 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**

- 3.19 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**

- 3.20 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.
- 3.21 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.

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Final version