
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM:
DATE OF MEETING:	23 MARCH 2006	CATEGORY: DELEGATED
REPORT FROM:	DIRECTOR OF CORPORATE SERVICES	OPEN
MEMBERS' CONTACT POINT:	CHRIS SWAIN (595812)	DOC:
SUBJECT:	CONCESSIONARY TRAVEL – GOLDCARD SCHEME - CHANGES FROM 1 APRIL 2006	REF: CJS
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM05

1.0 Recommendations

- 1.1 Members are asked to note the contents of the report on the amendments to the Derbyshire Concessionary Travel Scheme – the Goldcard Scheme.
- 1.2 Members are asked to approve the continued participation in the scheme and the amendments to introduce a concessionary travel scheme which complies with, and exceeds, the statutory requirements for a one year period in accordance with Annexe 'A'

2.0 Purpose of Report

- 2.1 The report gives details of the amendments to the Derbyshire Concessionary Travel Scheme for Elderly and Disabled People (DCTS) to implement the proposed extension of the statutory government concessionary fare scheme and enhance the travel concessions beyond the statutory minimum.

3.0 Detail

- 3.1 In his budget on 16 March 2005 the Chancellor announced the introduction of "free local bus travel" from April 2006 for over 60's and disabled people in England to be met by an additional £350 million of funding to local/unitary authorities. This statutory concession will only apply to journeys within the area of the responsible local authority, although enhancements to the scheme may be offered. The basic statutory scheme offers free travel on bus, within the defined area only, on Mondays to Fridays between 9.30am and 11.00pm and all day Saturday, Sunday and Bank Holidays.

- 3.2 Concessionary travel for elderly and disabled people has been available to Derbyshire residents since 1983. The scheme was improved in 1986 under the terms of the Transport Act 1985 and is a Partnership jointly funded by the County Council, Derbyshire Borough and District Councils and Derby City Council.
- 3.3 The scheme was reviewed as a result of the Transport Act 2000, which made the provision of a minimum level of concessionary travel available to elderly and disabled people. This became a statutory duty for district and unitary authorities with effect from June 2001. The Act did, however, allow local authorities to offer enhancements to the statutory requirements of the Transport Act 2000. South Derbyshire District Council and our partner authorities elected to stay with the Derbyshire Concessionary Travel Scheme (DCTS).
- 3.4 The DCTS offers the following additions to the government's current statutory scheme:
- no time limits,
 - free travel for some disabled people,
 - travel on train and community transport and County wide and cross boundary travel into adjacent County/Metropolitan areas.
- 3.5 The scheme was improved again from April 2003 when the age of 60 became a standard eligibility category for both men and women and was re-launched in 2004 as 'Gold Card' and in addition to travel concessions offered discounts at many leisure and retail outlets.
- 3.6 District/Unitary Authorities had a duty under the Transport Act 2000 to publish and provide details of the revised scheme to participating operators no later than the 1 December 2005. All current agreements with operators on the DCTS are joint agreements with Derbyshire County Council and Derbyshire District and Derby City councils. However, as set out in Financial Issues below, the exact levels of additional funding to be given to the District and Derby City Councils from Government were not known until mid December.
- 3.7 It was therefore impossible for the authority to publish a definitive revised scheme on 1 December 2005 without knowing the funding levels. It was recommended therefore that the published scheme to operators should include the existing DCTS but comply only with the statutory minimum for additions to the scheme but it was made clear that the scheme may be modified and improved once the final funding levels were known.
- 3.8 From a transport and the general public's perspective, it would clearly be preferable to extend the provision of free travel countywide. Some of the practical implications of a district-only free travel scheme would include:
- i) The current DCTS has recently been re-launched under the Gold Card name and to date some 170,000 passes have been issued countywide – almost 9,000 in South Derbyshire. The introduction of the scheme as proposed could involve the re-issue of another nine different cards specific to each local authority area. The practical issues of how bus drivers would identify these and ensure that free travel journeys were only made in the respective district areas, bearing in mind that bus stops

and fare stages do not follow district boundaries, would need to be resolved.

- ii) Existing ETMs (electronic ticket machines) do not have the capacity to deal with the extra number of passes proposed and local authorities would have to meet the additional cost of modifications required.

3.9 A summary of the proposed Gold Card scheme on buses is shown in **Annexe 'A'**. There are no proposals to change the current arrangements on trains or to existing Free (disabled people) Gold Card holders.

4.0 Financial Implications

4.1 The Gold Card scheme is estimated to cost £5.4 million in the 2005/2006 financial year of which some £2.1 million will be contributed by Derbyshire County Council. The contribution of South Derbyshire District Council is estimated to be £256,500.

4.2 The additional Government funding has been distributed to District and Unitary Authorities through the EPCS (Environment, Protective and Cultural Services) lower tier block within the RSG formula and not to County Councils.

4.3 The estimated additional cost of a County-wide free scheme for Derbyshire would be in the region of £6.4 million.

4.4 It should be noted that future inflation increases to the additional grant monies are likely to be in line with the RPI, currently around 3%, whilst transport inflation in the bus industry is traditionally at a higher rate with last year's inflation at 9.1%.

4.5 Free travel may result in some overloading on a number of services at particular times and local authorities will have to decide whether to meet the cost of providing additional transport. This will be the most likely cause of additional costs and is not quantifiable.

4.6 Due to the uncertainty of take up of the scheme a one-year interim arrangement is proposed to cover the period 1 April 2006 to 31 March 2007 with an option to extend subject to agreement by all parties.

4.7 **Annexe 'B'** shows the estimated costs of introducing a concessionary travel scheme in accordance with the proposals set out in **Annexe 'A'**.

5.0 Community Implications

5.1 The current scheme is formally laid down and operated in accordance with relevant legislation in the Transport Act 1985, and the Transport Act 2000. Transport Operators participate voluntarily in concessionary travel schemes, although there are powers to compel participation.

5.2 The current Derbyshire Concessionary Travel Scheme Agreement with the City, Borough and District Councils secures joint funding, with the District Authorities acting as the agents for the issue of passes and the County Council acting as the agent for financial reimbursement to the operators

5.3 The County Council has discretionary powers to introduce a concessionary travel scheme. The statutory duty to provide a concessionary travel scheme rests with the District/Unitary/Authorities.

6.0 Conclusions

6.1 For all half fare Gold Card holders half fare as now before 0930 on all buses; after 0930, free fare on all buses throughout the county and on cross border services.

6.2 The free disabled (purple) Goldcard will continue to give free travel at all times Trains will not be affected - the half and free disabled concession will remain the same on rail services.

6.3 The agreement with the bus operators will be a one year agreement initially. Subsequent years will be subject to on-going talks with the operators.

6.4 There is no need to go to the expense of issuing new passes at the moment.

7.0 Background Papers

7.1 Concessionary Fares file – C7

7.2 Draft report of Derbyshire County Council