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To: Cabinet – 3 December 2007

Subject: Free Travel for 11 – 16 Year Olds

Classification: Unrestricted

This report sets out the progress to date in the introduction of free travel for 11 – 16 year olds and suggests a programme of additional implementation in 2008 leading to a full Kent wide roll out in 2009.

1. Background

- 1.1 In September 2006, Kent County Council published “Towards 2010” (T2010) with an aspiration to introduce free travel for school children in secondary education aged 11 – 16.
- 1.2 The key policy aspirations of free travel for 11 – 16 year olds are:
 - A reduction in peak hour congestion.
 - Improved social inclusion through improved mobility of young people outside school hours.
 - Encourage longer term use of public transport by young people.

2. Pilot Schemes

- 2.1 In June 2007 two free travel pilot schemes called the Kent Freedom scheme were introduced in Tonbridge/Tunbridge Wells and Canterbury. Excellent press coverage was gained from the launch events in Canterbury and Tonbridge.
- 2.2 These pilots were chosen on the basis of the complexity of the transport arrangements to the secondary school catchment areas and the high level of congestion which is evident at peak times. It was considered that a successful introduction in these complex areas would provide sufficient evidence to make a clear decision on the feasibility of free county-wide travel for non-entitled 11-16 year olds. 4800 passes have been issued to date.
- 2.3 Additional bus capacity has been provided by bus operators in the pilot areas to cope with extra demand given that most existing service buses are full in the morning peak. Eight additional vehicles in each pilot area from 4 June ensured a seamless introduction of free travel providing sufficient capacity for the extra demand. This was increased to 10 from the start of the September term although the number has been reduced after initial peak use in September and October. We have taken the approach of asking the

incumbent operators to provide additional capacity, used on a flexible basis. This is the most efficient way of providing additional seats as trying to set up “competing” additional KCC funded services on commercially provided routes would undermine local bus networks and would be outside the free market spirit of the Transport Act 1985. We have received excellent support from the South Eastern Traffic Commissioner for this approach.

- 2.4 Detailed work has been undertaken on the usage of passes in the two pilots and the cost to the County Council in 2007-08 is estimated at £1.4m with a full year cost of £1.9m. In other words, the additional take-up has not directly translated to additional costs. The operators are reimbursed on the gap in their income as a result of the scheme on an open book accounting basis. This is largely income from students who previously paid a fare plus the cost of providing additional capacity.
- 2.5 The Kent Freedom scheme has proved very popular in the pilot areas. Survey results from Freedom pass holders show that 27% of users previously travelling to school by car now use the bus which is most encouraging. Impact studies on congestion are being measured and will be reported when meaningful results are available. There is evidence that students are using Freedom passes for travel at weekends and evenings which was a key aspiration of the Kent Youth County Council. Students also have the travel flexibility to use after school clubs which has been greatly appreciated by a number of correspondents.

3 Promotion

- 3.1 There have been a number of high profile events to launch and promote the Freedom scheme. A specially liveried bus was provided by Stagecoach and this has been particularly effective in promoting Freedom in Canterbury. Arrangements are being made to use a liveried bus in each of the pilot areas next year. A special event was held to mark the issue of the 4000th Freedom pass in October, with further events, aimed at the west of Kent planned over the next few months. A promotional film is also available on KentTV.
- 3.2 The involvement of the Youth County Council throughout the introduction of Freedom has been particularly helpful and has enable students to participate in the various promotional activities. Members of the Youth County Council will attend the Cabinet meeting on 3rd December.
- 3.3 Linked with Freedom is some valuable work on barriers to young people travelling on public transport being undertaken within Children, Families and Education. Work is being undertaken with Kent Youth County Council (Transport committee), to link into and expand work on personal safety, particularly on projects dealing with unacceptable behaviour and travel training, including a buddy system for students and those with special educational needs. They will make links with organisations such as Help the Aged and Age Concern as they have very similar issues in terms of breaking down perception. A recent NFER survey shows that public transport access and affordability is a key barrier to young people participating in sporting activities. The Freedom scheme is helping to overcome this important issue which also has significant positive health implications for those who are now able to participate in healthy activities.

- 3.4 Kent County Council received the Halcrow Transport Authority of the Year Award in November 2007 and the innovative Freedom concept was a significant reason for this accolade.

4 The Future

- 4.1 Concern has been raised about the ability of bus operators to provide the vehicles necessary to cater for the new demand a county-wide roll out of the Freedom scheme would generate. Cabinet approved the pilot schemes on 8 February 2007 with a view to county-wide roll-out in 2009/10. This matter has been discussed with Arriva and Stagecoach and they have agreed that an extension to the existing pilot schemes in June 2008 would be possible and would make it easier to achieve a full county-wide scheme in 2009/10. This is a complex issue as the County Council will need to achieve a balance of operational issues with public expectation which will require factors such as child deprivation to be considered. An early decision is required in order to ensure that additional vehicles required for the scheme extension are in place by June 2008.
- 4.2 Concern has been expressed by some Members about the administration fee of £50. Evidence suggests, however, that there has been no adverse reaction to this charge with many recipients praising its excellent value for money. It is suggested therefore, that the charge of £50 be retained in 2008/09.
- 4.3 There is scope for Kent to seek funding from Government. Under the Education & Inspections Act 2006, LEAs have been invited to bid for pathfinder status. Up to 20 pathfinders are likely to be selected for introduction in 2009 for a period of 4 years. Each initiative can receive up to £200k pump priming and there is up to £12m available pa across all of the pathfinder schemes. An 'in principle' bid is under preparation for submission by the deadline of 30 November 2007 linked to the pathfinder criteria of supporting children in education beyond 16, the use of technology through smartcards or overcoming potential barriers to take up from disadvantaged households from the charge. Although the financial benefit is fairly limited a full bid is proposed in the summer 2008 based on the results of the pilot.

5 Financial Implications

- 5.1 In 2008/09, the County Council has allocated £5 million for the Freedom scheme which will enable us to introduce a further roll-out as appropriate. Our consultant, MCL has suggested that at current prices, a sum of £8.3 million net (£12 million gross) will be required to operate on a countywide basis, although this does include travel by rail. However, in view of the higher than expected bus travel take-up which is likely to translate into the County-wide roll out, rail costs would be additional and are un-quantified at present as they are not being assessed as part of the existing pilots. In 2009/10, the County Council has allocated £8 million so with some flexibility to adjust funding between financial years, there will be sufficient funding at current prices to fund the bus service element of the scheme. In 2010/11, a £11.4 million allocation is provided which appears adequate but does not take into

account inflation which is estimated at 5% per annum (approximately £500 K increase p.a).

- 5.2 Once free travel has been introduced on a countywide basis, it is recommended that the home to school transport mainstream and Freedom budget are administered from one source to ensure that financial and procurement efficiencies can be made.
- 5.3 We have received some criticism for not extending the freedom scheme to 17 and 18 year olds in full time education. Cabinet may wish to consider this point in the context of congestion reduction as these students are increasingly using the car as a method of travelling to school. There is a significant cost implication likely to be in the region of £5 million as these students are outside the free transport provisions of the 1944 Education Act.
- 5.4 There has been considerable discussion about the inclusion of rail in the countywide roll-out of the Freedom scheme. There are sound arguments not to include rail and the operator South Eastern remains unenthusiastic about participating. If rail is not included, this will reduce the potential revenue burden by an estimated £1 million per annum.

6 Smart Cards

- 6.1 Greater accuracy of the usage of Freedom passes could be achieved through the introduction of smart cards. Such cards could also be used for a range of other purposes such as libraries and school meals. A barrier to this in the past has been the price of on-bus readers which cost around £1000 each. With 800 buses operating in Kent, the capital cost of implementation would be high. Stagecoach and Arriva have indicated that their groups are investing in a new design of ticket machine which included a smart card reader. There may be a willingness to allocate these machines to Kent but some capital pump-priming would be required. It is suggested that discussions are held with operators to explore the feasibility of new ticket machines with smart card readers.

7 Conclusion

- 7.1 The introduction of the Kent Freedom scheme has been successful and well received. This success is significantly attributable to the partnership working between bus operators and the County Council. It is recommended that formal discussions are held with bus operators with a view to extending the pilots in June 2008. There is sufficient funding next year to accommodate an extension to three/four more District areas. The introduction of smart cards would be highly beneficial in operational and monitoring terms.

8 Recommendations

- 1) Cabinet considers an extension to the pilot schemes in June 2008.
- 2) Cabinet agree in principle to pump prime the introduction of smart cards.
- 3) Officers consider how efficiencies could be gained once the Freedom scheme is rolled out Countywide.
- 4) Rail is not included in the additional 2008 schemes.

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Background Documents; None