

By Keith Ferrin – Cabinet Member for Environment, Highways and Waste

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To: Cabinet – 12 May 2008

Subject: Kent Concessionary Travel Scheme for Over 60s & Disabled

Classification: Unrestricted

This purpose of this report is to provide an update on the Kent & Medway Concessionary Travel Scheme for over 60s and disabled people since the Government has indicated that this scheme will become a County Council responsibility in future years.

Background

The Kent concessionary travel scheme is operated jointly by the district councils, Medway Council and Kent County Council. Whilst responsibility for this scheme rests with the district councils, who are termed Travel Concession Authorities (TCA) in the Transport Act 2000, the County Council takes an active co-ordinating role in order for Kent residents to get the most out of their pass.

There are currently some 260,000 pass holders in Kent and the scheme costs are £17.25m (08/09 prices). These costs are met by the districts and Medway with financial assistance from Government through the Revenue Support Grant (RSG) mechanism. Kent County Council provides £30,000 per annum towards the cost of administering the scheme.

The Kent concessionary travel scheme is established under the Transport Act 1985. The 1985 Act enables local government authorities to introduce concessionary schemes and make payments to public transport operators on the basis that the operator is no better and no worse off than if the scheme did not exist. The Kent Freedom Pass is also established on this basis.

As of April 2008 the scheme was expanded to enable free travel on bus services across England. The funding responsibility was also changed from the district issuing the pass to the district in which the journey begins. As a consequence, many of the TCAs across the country have put back the start of the scheme to 9.30am to try to reduce costs.

Implications of the National Scheme

Government has made additional funding available to the Kent CTA districts to cover the additional reimbursement to bus operators with the introduction of the new National Scheme. However, faced with increasing travel and uncertainties over funding (traditionally RSG increases have not

kept pace with bus fares and therefore reimbursements to bus operators), all the Kent districts, except Medway, have amended the time from which passes are valid from 9.00am to 9.30am. Medway Council decided to return to a 9.00am start in February 08.

The introduction of the National Scheme has been funded by a special additional grant to the districts. This has been announced for the years 2008/09 to 2010/11. The apportionment to Kent as a whole, at £4.5m for 2008/09, is estimated to exceed the costs of running the scheme this year. We estimate that £3.8m will be required and that all of the Kent districts, with the exception of Tunbridge Wells, will have surpluses from the additional payments made by Government.

Following the decision to change the time, the districts, bus operators and Kent officers have been working to adapt the public bus network where possible to reflect the new start time. However, public concern has continued where there is a limited service and timings cannot be changed. For example in some rural areas pass holders may have to pay a fare on service before 9.30am or wait until the next service which might not run for several hours. Pass holders have continued to lobby for the scheme to be put back to a 9.00am start.

The additional cost of allowing pass holders to travel for free in between 9.00am and 9.30am has been estimated at some £150,000 pa. There may also be claims from bus operators on top of this as services are changed back to cater for demand returning to services before 9.30am.

Recommendations

Cabinet is asked to note this report.

Background Documents

None

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