

By: John Burr, Director of Highways and Transportation

To: Bryan Sweetland, Cabinet Member, Environment Highways and Waste

Subject: Publication of 2012/2013 English National Concessionary Travel Scheme.

Classification: Unrestricted

Summary:

KCC has a statutory duty to publish on 1st April 2012 the English National Concessionary Travel Scheme (ENCTS) for the 2012/2013 financial year. This is a public document but is primarily of interest to bus operators, as it details how they will be reimbursed for carrying ENCTS passholders.

It is proposed that KCC publish a scheme which is consistent with guidance produced by the Department for Transport (DfT).

1. Background

- 1.1 KCC has a statutory duty to administer the ENCTS in Kent to provide free local bus travel for eligible older and disabled people and to reimburse bus operators for carrying ENCTS holders. A detailed background to the scheme is presented in the Appendix to this report.
- 1.2 KCC has a duty to publish, on 1st April 2012, the final ENCTS scheme for 2012/2013. This sets out how bus operators will be reimbursed for carrying ENCTS passholders. The underlying objective is to reimbursement each operator such that they are no better and no worse off than if the ENCTS scheme did not exist.
- 1.3 In November 2011, the DfT published reimbursement guidance for the 2012/2013 financial year. The draft ENCTS scheme published by KCC in December is consistent with the DfT guidance. It is proposed that KCC publish the ENCTS scheme in line with the DfT guidance.
- 1.4 The DfT do state, however, that the guidance is not always appropriate and that local circumstances should be taken into account to achieve the 'no better, no worse' position. If bus operators feel they are being under reimbursed by the published scheme, they can appeal at the beginning of the 2012/2013 financial year. If no settlement can be negotiated between the operator and KCC, then an independent adjudicator appointed by the DfT will decide upon the reimbursement due to the operator.
- 1.5 Following an appeal against the 2011/2012 Kent ENCTS scheme, KCC negotiated a settlement with one operator to last until the end of the 2013/2014 financial year. The approach to the calculation of reimbursement to this operator is consistent with the principles of the DfT guidance and is considered excellent value to KCC.

2. Financial Implications

The actual amount of reimbursement KCC will pay to operators depends on the exact number of journeys made by ENCTS passholders and therefore is unknown at the current time. However, projections show that publishing an ENCTS scheme in line with the DfT guidance will deliver the scheme and fulfil KCCs statutory duty within the approved 2012/2013 budget for ENCTS.

3. Recommendation

The Cabinet Member for Environment, Highways and Waste is asked to AGREE:

- To publish the ENCTS scheme on 1st April in line with the Department for Transport reimbursement guidance.

Author Contact Details: Tom Pierpoint, Public Transport Team Leader
Tel: 01622 221303
Email: tom.pierpoint@kent.gov.uk

Appendix

The English National Concessionary Travel Scheme (ENCTS)

KCC has a statutory duty to administer the ENCTS in Kent. The ENCTS provides free off peak travel on local bus services for older and disabled people.

History

A mandatory bus concession for older and disabled people has been in place since 2001. The scheme, originally a half fare scheme, was changed to local free travel in 2006. Since April 2008 it has provided free off-peak bus travel to eligible older and disabled people anywhere in England.

Legal Framework

- People of eligible age and disabled people of any age are entitled to travel free on local bus service starting in England. The statutory minimum requires that free travel be allowed for journeys starting between 0930hrs and 2300hrs on normal weekdays and at any time on weekends and public holidays. To travel for free, an eligible person must hold an English National Concessionary Travel Scheme (ENCTS) pass.
- From April 2011 responsibility for the provision of concessionary travel transferred from Districts and Borough Councils to County Councils and Unitary Authorities. They are now known as Travel Concession Authorities.
- Travel Concession Authorities (TCAs) must issue passes to those of their residents who are eligible and are financially responsible for all concessionary journeys which start in their area, irrespective of which authority issued the pass.
- Operators of local transport services are legally obliged to allow passholders to travel free of charge for journeys made at times during the statutory minimum period. There is no "opt-out" - it is a criminal offence to persistently refuse passholders their right to travel free at these times.
- TCAs have powers to provide and fund discretionary concessions. Discretionary concessions can be in addition to or as an alternative to the statutory scheme. Examples of additions might be time extensions
- The cost of this statutory minimum requirement is supposed to be met from the funding provided by Central Government and is the responsibility of the TCAs. The cost of any discretionary extension must be met from local funding.

The costs that County Councils and Unitary Authorities (TCAs) have to meet

- The main element of the cost of concessionary is the reimbursement that has to be paid to the transport operators. This compensates them for the income they lose and the other costs they incur when passholders do not have to pay a fare.
- Other costs which fall upon the TCAs include pass issue, reimbursement administration, support consultancy and, if appeals arise, further consultancy and legal fees

- The law requires TCAs to reimburse transport operators such that they are neither worse, nor better off in comparison with a situation where there was no concessionary travel. The Department for Transport (DfT) publish reimbursement guidance each year, but caveat the guidance, stating that local circumstances must be taken into account.
- This can lead to disagreements between Local Authorities and bus operators who feel they are being under-reimbursed. An operator can appeal against the published ENCTS scheme, in which case an independent adjudicator employed by the DfT will review all of the evidence presented and determine the correct amount of reimbursement the operator is owed.