

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 9 February 2006
AUTHOR/S: Development Services Director

CONCESSIONARY FARES UPDATE

Purpose

1. The purpose of this report is to provide an update to the report to Cabinet on 12 January 2006, on which Members deferred making a decision.

Effect on Corporate Objectives

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| 2. | High quality, accessible, value for money services | <ul style="list-style-type: none">• Concessionary fares enable the elderly to access services and facilities which will have a direct bearing on their quality of life.• Promoting the use of public transport is a sustainable mode of travel.• The Council is working in partnership with the Cambridgeshire Districts and the County Council on a county-wide scheme. |
| | Quality village life | |
| | A sustainable future | |
| | A better future through Partnerships | |

Background

3. The report to Cabinet on 12 January 2006 set out the background to the current half-fare scheme and the requirements for the new scheme, from 1 April, replacing the current scheme of half-fare by providing for free travel. The statutory requirement is for free travel within the district after 9.30am for those eligible (men and women over 60 and those with disabilities). Councils have the discretion to fund an increase in the scheme, for example, to allow travel over a wider area and at any time.
4. In order for a County and Peterborough wide scheme to work it requires all authorities to agree to the same scheme and agree to fund any extra concessions.

Latest Position

5. In the January Cabinet report, it was reported that it was not known exactly what each option would cost the Council, but provided an indication that the county-wide scheme was likely to cost the Council in the order of double the current scheme.
6. A report to Joint Lead Transport Planning Members meeting on 23 January updated the position in light of further work undertaken by the Consultant. Table 1 illustrates the levels to which each concessionary authority will be funded by Government compared to what might be needed to provide a cross-district scheme. These figures were the preliminary figures and it should be noted that they are not ring fenced for concessionary fares.

Table 1: Required funding levels to maintain a cross-district scheme

Authority	Current funding 2004/5	Total Available funding for 2006/7	Funding required to maintain a cross-district scheme
Cambridge City Council	£252,000	£420,000	£586,000
South Cambridgeshire DC	£205,000	£353,000	£544,000
East Cambridgeshire DC	£67,000	£272,000	£198,000
Huntingdonshire DC	£203,000	£503,000	£385,000
Fenland DC	£91,000	£601,000	£282,000
Peterborough City Council	£453,000	£1,056,000	£958,000
Cambridgeshire County Council	£34,000	£0	£0
Total	£1,305,000	£3,205,000	£2,953,000

7. However, due to the fluid nature of the on-going negotiations with the bus operators, a verbal update was provided at the 23 January meeting. Following a meeting between the Consultant and a bus operator on 19 January, evidence was provided by the operator that indicated the level of reimbursement they were entitled to exceeded previous estimates, and a more realistic reimbursement figure was in the order of an additional £900,000 over and above the total listed in the table above. Although this additional funding requirement would be distributed across all districts, the lion-share would fall to South Cambridgeshire District Council and Cambridge City Council, as they issue a larger proportion of passes.
8. At the Joint Lead Transport Planning Members meeting there was general consensus that the districts would be unable to afford to provide an enhanced county-wide scheme from 1 April and therefore agreed to provide the Government funded scheme of free travel within the District. The County Council also agreed to continue to administer the scheme on behalf of the districts.
9. However, since the Joint Lead Transport Planning Members meeting the Consultant has put forward a compromise proposal. As well as providing free travel within the district in accordance with the minimum requirements, it is proposed to offer reduced price travel for cross border trips. Cross border travel will be charged at £1 single / £1.70 return to cover the part of the journey outside the district. Travel within the Cambridge 'Megarider' area will cost 60p single / £1 return. In addition, the Park and Ride will be half price at 90p. A copy of the Consultants proposal is attached in **Appendix 1**.
10. The Consultant is currently undertaking negotiations with all of the bus operators on behalf of each of the districts to agree the level of reimbursement. As such, the financial implications are at present unknown. However, it is expected that they will be within the estimated figures outlined in Table 1.

11. At the Joint Lead Transport Planning Members meeting it was also agreed that all of the districts should sign a joint letter to the Local Government Association expressing their concerns with a district-wide only Concessionary Fares scheme.

Financial Implications

12. The financial contribution from the Council will not be known until further, awaited, advice is received from the Consultant.

Legal Implications

13. None, provided the District Council complies with the Statutory Minimum scheme from 1 April 2006.

Staffing Implications

14. Continued involvement of staff from Development Services and Accountancy.

Risk Management Implications

15. Risk to the Council would arise if the decision were taken to provide a concessionary fare scheme on more beneficial terms than required by the Government. The Government will not provide additional funding for such a scheme and the Council would therefore need to divert funding from other areas of Council expenditure.

Consultations

16. The Council has been working with all the Cambridgeshire Districts and the County Council on a new concessionary fares scheme.

Conclusion

17. In order for a County and Peterborough wide scheme to work, it requires all authorities to agree to the same scheme and agree to fund any extra concessions over and above the statutory minimum. Whilst it was hoped that it would be possible to deliver a county-wide scheme, the poor Revenue Support Grant allocation, coupled with authorities having their Council Tax capped, has resulted in there being insufficient funding available to continue to provide such level of service.

Recommendation

18. Cabinet is recommended to sign-up to providing an interim 12-month scheme which complies with the statutory minimum requirements whilst also providing for reduced price travel across the rest of the County, and sign-up to a joint letter to the Local Government Association.

Background Papers: Cabinet Report 12th January 2006
Concessionary Fares Study – Briefing Paper August 2005
Cambridgeshire and Peterborough Concessionary Fares Scheme –
Consultant's Initial Report

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