

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT & NEIGHBOURHOOD SERVICES

TO:	POLICY COMMITTEE		
DATE:	18 FEBRUARY 2019		
TITLE:	CONCESSIONARY TRAVEL SCHEME - INVESTIGATION OF BUDGET SAVING PROPOSALS		
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1. PURPOSE OF REPORT

- 1.1 This report provides an update on proposed changes to the Concessionary Travel scheme for Older Person pass holders and disabled people using the Access Pass in Reading. In February 2018, Policy Committee agreed to investigate the potential removal of further discretionary elements of the Concessionary Travel scheme, following the implementation of initial changes to the Older Person's scheme in April 2017. The anticipated budget savings from these proposed changes, subject to the outcome of public consultation and an Equalities Impact Assessment (EIA) of the proposals, is approximately £200-250k per annum.
- 1.2 There are approximately 22,000 Older Person's pass holders in Reading, with around 2,000 registered to use the Readibus service; and over 6,000 Access pass holders, with over 2,400 of these having the additional Companion entitlement. An 8 week consultation was undertaken on the proposed changes for Access Pass holders in May 2018, which received 1,377 responses; and a 4 week consultation on the proposed changes for Older Person Pass holders was undertaken in November 2018, which received 724 responses. Results from the consultations are summarised within this report.
- 1.3 Following an initial review of the consultation results, it was announced by the Lead Member for Strategic Environment, Planning and Transport at the meeting of Policy Committee on 29th October 2018 that the Council did not intend to proceed with the proposed removal of the Companion Entitlement for eligible Access Pass holders (proposal 2 as set out at para 4.12 below), as this provides a vital lifeline for disabled residents who are unable to travel alone. However, the Committee is required to take a formal decision on this

element as part of the overall decision on the proposals contained within this report.

- 1.4 Appendix A - Equality Impact Assessment
- Appendix B - Consultation Questionnaires
- Appendix C - Consultation Response - Full Results
- Appendix D - Background Information - Administering Eligibility
- Appendix E - Background Information - Concessionary Fares Schemes in the South-East
- Appendix F & G - Readibus Consultation Responses

2. RECOMMENDED ACTION

That the Committee:

- 2.1 **Note the report and the potential financial savings of £200 - 250k per annum that the proposed changes to the scheme could deliver.**
- 2.2 **Taking into account responses received to the public consultation and the Equality Impact Assessments undertaken, determine what changes the Committee wishes to make to the discretionary elements of the Concessionary Travel scheme.**
- 2.3 **Endorse the proposal to review the administration of eligibility criteria for Access passes as set out in Appendix D.**

3. POLICY CONTEXT

- 3.1 The English National Concessionary Travel Scheme (ENCTS) was introduced in April 2008, under the Concessionary Bus Travel Act 2007. It provides free off-peak bus travel to eligible older and disabled people between 09:30am and 11:00pm on Monday to Fridays and at any time at weekends and on bank holidays anywhere in England.
- 3.2 The scheme is administered locally by Travel Concession Authorities (TCAs) which includes Reading Borough Council. TCAs are responsible for the administration, processing and issuing of a suitable smartcard to eligible applicants residing in the area, liaising with local bus operators to agree the setting of reimbursement rates using DfT prescribed tools, and processing reimbursements payments to operators based on the number of trips made by pass holders.
- 3.3 TCAs are also responsible for setting the local scheme rules including any additional local discretionary elements, which can be implemented using powers provided by the Transport Act 1985.

4. THE PROPOSAL

- 4.1 Since the introduction of the ENCTS in 2008, the Council has offered a range of additional discretionary elements above the mandatory national scheme for eligible older and disabled pass holders. In addition, the Council has historically entered in to reciprocal arrangements with neighbouring local

authorities to allow cross border journeys to allow journey across the Reading Urban Area outside of the statutory national scheme times.

4.2 The Reading scheme currently provides the following discretionary elements for pass holders in addition to the national scheme:

1. Free travel at any time on weekdays within Reading borough for disabled persons (Access) pass holders.
2. Issuing a companion entitlement to eligible disabled persons (Access Plus Companion) pass holders who are unable to travel alone. This provides free travel for a companion when travelling with the pass holder at any time within Reading.
3. Free travel on ReadiBus dial-a-ride services for Older Person and Access pass holders who meet ReadiBus eligibility criteria (dial-a-ride services are not included in the national scheme).

4.3 This savings proposal as consulted upon is to remove the three discretionary elements as set out above. The majority of discretionary elements for Older Person pass holders were removed in April 2017, except for the ability for eligible pass holders to travel for free on ReadiBus dial-a-ride services.

4.4 An eight-week consultation on the budget saving proposals for Access pass holders took place from 25th May to 20th July 2018. The consultation involved 5,749 letters being sent to all Access and Access with Companion Pass holders and was promoted in the press release and via appropriate user groups, including the Physical Disability and Sensory Needs Partnership and Access and Disability Working Group. Promotion through these channels encouraged the submission of 1,377 responses.

4.5 Following the Access pass consultation, a four-week consultation on the proposal to remove free travel on ReadiBus for Older Person pass holders took place between 16th November and 19th December 2018, prompting 724 responses. A summary of both consultation responses is provided within this report.

Proposal 1: Removing Off-Peak Weekday Free Travel (pre 9:30am / after 11:00pm) for Access Pass holders

4.6 The proposal is to remove the allowance for Access and Access plus Companion pass holders to travel free before 9.30am and after 11.00pm on Mondays to Fridays.

4.7 Overall, 32% of respondents were supportive of the proposed changes to concessionary travel to remove free travel before 9:30am and after 11:00pm on weekdays and 66% were against this proposal, with 2% not answering this question.

4.8 Pass holders were asked to provide more information on their reason for needing to retain free travel before 9:30am by answering a multiple choice question on their trip purpose. The reasons for needing to travel before 9:30am were recorded as: 19% to go to work, 15% to attend school or college, 58% to attend medical appointments, 32% to visit shops, bank etc., 24% to

visit friends or relatives, 22% for leisure activities and 3% for other reasons. Only 19% of respondents stated they did not need to travel before 9:30am.

- 4.9 Respondents provided a variety of impacts that they would experience should the time of eligibility be restricted to the ENCTS statutory. The most prevalent issue was the inability to make medical appointments where travel would be needed before 9:30am along with the unaffordability of having to pay for travel before 9:30am. A large number of respondents also said that they would not be able to travel to work or school/college or would need to be late.
- 4.10 The impact of this change on Access pass holders, as outlined in the EIA, will be they need to either:
1. Travel after 9.30am which may delay then getting to appointments. However for the majority of concessionary pass journeys this delay will have no effect;
 2. Travel before 11.00pm which may require them to leave appointments or events earlier then they would otherwise intend. However for the majority of concessionary pass journeys this will have no effect;
 3. Pay the commercial bus fare to travel before 9.30am or after 11.00pm;
 4. Consider using alternative modes of transport including private vehicle use or taxi services.

Proposal 2: Removing the Companion Entitlement for Eligible Access Pass Holders

- 4.11 The proposal is to discontinue issuing the Companion Pass entitlement to allow eligible Access Pass holders free travel for a Companion to assist them with their travel.
- 4.12 76% of respondents were against this proposal and 17% in favour, with 7% not answering this question.
- 4.13 Pass holders were asked to provide more information on their reason for requiring companion entitlement by answering a multiple choice question on their trip purpose. The reasons for requiring a companion entitlement were recorded as; 7% required to go to work, 11% to attend school or college, 43% to attend medical appointments, 36% to visit shops, bank etc.. 29% to visit friends or relatives, 26% for leisure activities and 4% for other reasons. 27% of respondents stated they did not need a Companion Pass.
- 4.14 Respondents provided a variety of impacts that they would experience should the companion pass entitlement be removed. The most common issue was the unaffordability of having to pay for the companions to travel and the increased social isolation experienced as result with many respondents stating they would be 'housebound' with a significant negative impact on their quality of life.
- 4.15 Readibus responded to this element of the consultation stating that it would be discriminatory for a companion pass not to apply as this would mean those whose disability is such that they need a companion would be charged to travel when someone who did not need a companion to travel would not be.

However, to clarify the proposal is for only the companion entitlement to be withdrawn, the pass holder would still be entitled to use their pass for free for their own travel.

- 4.16 The impact on these pass holders outlined in the EIA will be they need to either:
1. Pay the commercial bus fare of a Companion to travel with them to assist in their journey.
 2. Use the Readibus dial-a-ride service for assisted travel but paying the Readibus standard fare.
 3. Continue to use their Access pass (with no Companion element) if the user feels they may now be able to travel without a Companion to assist them (this could be due to improvements in their personal circumstances or due to improvements in the bus vehicle and bus stop infrastructure (low floor, raised kerbs etc...)).
 4. Consider using alternative modes of transport including private vehicle use or taxi services.

Proposal 3a: Removing the free use of Readibus dial-a-ride services for eligible Access Pass holders

- 4.17 The proposal is to discontinue allowing eligible Access pass holders to use the Readibus services for free.
- 4.18 69% were against this proposal with 14% supportive and 17% not answering this question. As the Readibus scheme is only used by a number of Access Pass holders, and therefore did not affect all the members, a higher proportion of respondents did not complete this section.
- 4.19 Pass holders were asked to provide more information on their reason for requiring free use of the Readibus service by answering a multiple choice question on their trip purpose. The reasons for requiring free use on Readibus were recorded as; 4% to go to work, 6% to attend school or college, 21% to attend medical appointments, 18% to visit shops, bank etc.. 14% to visit friends or relatives, 14% for leisure activities and 4% for other reasons. 33% of respondents stated they did not currently need to use the Readibus services.
- 4.20 Readibus responded to the consultation setting out their concerns, the full response is included at Appendix F. These concerns included it is Readibus' view that the impact on Access pass users of Readibus would be disproportionately large compared to the modest savings the changes will bring in; the concessionary fare scheme helps to prevent additional social care service requirements and therefore saves the Council money in that area; and that the changes would contradict the priorities in the Council's Health and Well-being Strategy 2017-20 of 'reducing loneliness and social isolation'.
- 4.21 As with the removal of the Companion entitlement, a number of respondents stated the removal of free use of the Readibus service would result in greater social isolation as it would be more difficult for them to leave home alone and travel.

- 4.22 The impact on these pass holders outlined in the EIA will be they need to either:
1. Pay the commercial fare for Readibus services.
 2. Use local bus services if the user feels they may now be able to travel on these service (this could be due to improvements in their personal circumstances or due to improvements in the bus vehicle and bus stop infrastructure (low floor, raised kerbs etc...)).
 3. Consider using alternative modes of transport including private vehicle use or taxi services.
 4. Request alternative support from other Council services, such as social care.

Proposal 3b: Removing the free use of Readibus Scheme by Older Person Pass holders

- 4.23 The savings proposal is to remove free use of the Readibus dial-a-ride services for eligible Older Person Pass holders, to align with proposed changes to the Access Pass.
- 4.24 A four-week consultation on this budget saving proposals took place from 16th November to 19th December 2018 both online and with the option to complete a paper copy of the questionnaire. The consultation involved over 2,000 letters with the questionnaire being sent to all Older Person Pass holders registered to use Readibus services. The consultation was also promoted in a press release and via appropriate user groups, including the Older Persons Working Group. The Consultation generated a return of 724 responses as well as a number of written formal responses from organisations and a summary of consultation responses is outlined below.
- 4.25 When asked if the respondent agreed with the Council's proposal to end the free use of Readibus dial-a-ride services by eligible Older Person Bus Pass holders 78% were against this and 18% supportive with 4% not answering this question.
- 4.26 Respondents were asked to provide more information on their reason for requiring free use of the Readibus service by answering a multiple choice question on their trip purpose. The reasons for requiring free use on Readibus were recorded as; 2% to go to work, 4% to attend school or college, 35% to attend medical appointments, 45% to visit shops, bank etc.. 24% to visit friends or relatives, 29% for leisure activities and 19% for other reasons. 24% of respondents stated they did not currently need to use the Readibus services.
- 4.27 When asked on average how often respondents use the Readibus service 39% of all respondents stated they used the Readibus service 2-3 times per week or more often. 29% of respondents did not currently use any Readibus services.
- 4.28 Respondents were also asked what they would do if they were unable to use the Readibus service for free. Over half of all respondents at 52% stated that they would go out less often if Readibus services were no longer free. 30% of respondents stated they would pay the regular fare to use Readibus services and 22% of respondents stated they would use the local bus service instead,

either unassisted or with a companion. 13% stated they would use a taxi or minicab service.

4.29 Formal written responses were received from a number of organisations including Readibus, Reading Mencap, Age UK Berkshire and Age UK Reading. Readibus in their response raised their concerns including that this proposal would impact significantly on some Older Person pass holders and may result in “some residents travelling less frequently or not at all”. Readibus noted that some of the Older Person pass holders who would not be able to afford the fare are likely to be residents for which the Council will have some level of adult social care responsibility and these changes may be counter-productive as “the cost to the Council of that adult social care responsibility may be higher. Readibus also noted the impact on local community and some other Council services which rely on Readibus for participation of residents in these activities and if due to these proposals some residents are no longer able to attend these activities in may affect the viability of these services. Readibus also noted some residents may see and adverse effect on their health and well-being if they are no longer able to afford to use Readibus services. The full Readibus response can be seen in Appendix F.

4.30 The impact on these pass holders outlined in the EIA will be they need to either:

1. Pay the commercial fare for Readibus services.
2. Use local bus services if the user feels they may now be able to travel on these service (this could be due to improvements in their personal circumstances or due to improvements in the bus vehicle and bus stop infrastructure (low floor, raised kerbs etc...)).
3. Consider using alternative modes of transport including private vehicle use or taxi services.
4. Request alternative support from other Council services, such as social care.

Conclusions

4.31 Overall, the consultations into the proposed budget savings generated a relatively high level of responses, with the Council also receiving a large number of phone calls and other correspondence, particularly when compared to the consultation on the initial changes to the Older Person’s scheme in 2016 which generated only 27 responses.

4.32 The total cost of these discretionary elements of the scheme is approximately £500k per year, however the estimated total proposed saving to the Concessionary Travel budget, including the removal of the companion pass, is approximately £250k due to the potential for significant transferal of trips as set out below.

4.33 The estimated cost saving for each element of the overall saving proposal is set out below, however these are estimated on the basis that all three of the proposals are implemented at the same time:

- Approximately £100k per year by removing free travel pre 9:30am and post 11:00pm on a weekday (assuming around 50% of trips will transfer travel times to still be eligible for free travel).
 - Approximately £50k per year by removing free travel for companions for eligible access pass holders.
 - Approximately £100k per year by removing free travel on Readibus dial-a-ride services (assuming around 50% of trips will transfer to other eligible free travel services).
- 4.34 As set out at 1.4, the Lead Councillor for Strategic Environment, Planning and Transport at the meeting of Policy Committee on 29th October 2018 confirmed that the Council did not intend not to proceed with the proposed removal of the Companion Entitlement for eligible Access Pass holders. The Council could consider making only one or a combination of the three changes outlined above, however it is not possible to assess fully the proposed level of savings that would be achieved if this approach is taken as there is likely to be displacement between the three elements, depending on which combination of proposals are implemented. Notwithstanding this complexity, anticipated savings would be in the region of £200-250k.
- 4.35 All of the proposals will remove a locally funded discretionary element which is currently offered in addition to the statutory scheme. Reading Borough Council's commitment to the full statutory scheme is unaffected by these proposals.
- 4.36 The discretionary elements currently offered to Access pass holders by other Travel Concession Authorities in the South East differs significantly between areas, set out in Appendix E and summarised in the table below:

Concessionary Travel - Access Pass Discretionary Elements

	Free travel outside of the hours of the statutory scheme	Free travel for companions	Free travel on additional services (i.e. dial-a-ride, travel vouchers scheme)
West Berkshire	No	No	No
Wokingham	Yes (from 9:00am)	Yes	Yes
Bracknell	Yes	No	No
RBWM	Yes	Yes	Yes (Travel Voucher Scheme)
Slough	No	No	No
Surrey	Yes*	Yes*	No
Hampshire	Yes	Yes	Yes
Swindon	No	No	Yes (Travel Voucher Scheme)

* Note Surrey is currently consulting on the removal of these elements of their scheme.

- 4.37 Following the changes to the Older Person's scheme in April 2017, the Royal Berkshire Hospital has been advising residents of their ability to book medical

appointments within the revised hours of free travel provided by the scheme. If the budget savings proposal to restrict hours of Access Pass usage is approved, the Council will advise the Royal Berkshire Hospital of this change to ensure this policy is extended to residents impacted by the changes. Residents can then look to arrange their appointments at the Hospital or their registered GP surgery within the hours of free travel provided through the statutory scheme.

- 4.38 To help mitigate the impact of this proposal, Readibus could consider providing, as a commercial proposition, a reduced fare scheme for Access and/or Older Person pass holders. However, this would be entirely at the discretion of Readibus who would need to be content that it could be offered on a commercial basis. To be clear, Readibus have not committed to offering this and therefore it should not be considered as a mitigation measure to this proposal.
- 4.39 There is a risk that implementing this proposal could increase costs to the Education and Adult Social Care services provided by the Council, for instance through residents who currently use their Access Pass to travel to education and/or employment before 9.30am as they would be impacted by the proposed change in times for free travel through the national scheme. It is therefore proposed that, if the decision is taken to progress the proposals, all cases of residents requesting financial assistance with travel as a result of the changes to the Concessionary Travel scheme would be reviewed by the Council following implementation of the changes. The cost to the Council in additional travel assistance payments would need to be assessed and reallocated to the appropriate budgets from the overall budget saving, to ensure appropriate budgets remain available to promote resident's independence and provide support to ensure they claim any mobility benefits they would be entitled to receive.
- 4.40 In conclusion, officers recommend that the Committee takes account of the responses received to the public consultations and the Equality Impact Assessments undertaken for the budget saving proposals, and that the Committee decides whether or not to make the changes to the discretionary elements of the Concessionary Travel scheme.

5. CONTRIBUTION TO STRATEGIC AIMS

- 5.1 These budget saving proposals have been developed to ensure the Council can continue to deliver our priorities and protect services alongside addressing budget challenges. These proposals will continue our focus on our service priorities whilst our budget is being reduced, therefore the proposals will enable us to:
- Protecting and enhancing the lives of vulnerable adults and children.
 - Ensure the Council is fit for the future.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 In May 2018, Reading Borough Council opened an 8 week consultation in to the proposed changes to the Access pass holders scheme. A letter outlining the proposed changes with a paper version of consultation questionnaire to return

was sent to every Access and Access with Companion pass holder, a total of 5,749 pass holders. The consultation was promoted through a press release issued by the Council, promoted on-board buses, posted on the Council's website through the consultation hub and was open to general responses as well as being shared with the Access and Disability Working Group members, Physical Disability and Sensory Needs Partnership members and the Resident's Panel.

6.2 In November 2018, a second consultation was opened for a 4 week period regarding the proposed change to the Older Persons Pass holder scheme. A letter outlining the proposed changes with a paper version of consultation questionnaire to return was sent to every Older Person Pass holder registered for the Readibus service, approximately 2,000 users. The consultation was also posted online and open to general responses as well as being highlighted at working groups representing vulnerable people. A copy of both consultation questionnaires can be found in Appendix B

6.3 The two consultation periods ended with a total of 2,101 responses as set out below:

Consultation Responses

Access Pass Consultation	1,377
Older Persons Pass Consultation	724
Total	2,101

6.4 In addition, a number of detailed written responses to the consultation were also received and have been reviewed separately. All written consultation responses received have been included in the results into Appendix C.

7. EQUALITY IMPACT ASSESSMENT

7.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.2 A full Equality Impact Assessment was undertaken for the proposed changes in advance of the consultation commencing in May 2018 and since been updated to reflect feedback given during the consultation (Appendix A).

7.3 The Equality Impact Assessment highlighted that the proposed changes to remove locally funded discretionary elements will negatively impact on disabled users, particularly the removal of Readibus from the scheme. However, the aim of the proposal is to protect the Council's ability to meet the statutory requirement of providing a bus pass to older and disabled people

for free travel at off-peak times in the face of great demand on finite resources and therefore on this basis the changes could be justified.

- 7.4 The EIA did not consider the proposed changes would impact any other groups specifically on the basis of racial, gender, sexual orientation, age or religious belief.

8. LEGAL IMPLICATIONS

- 8.1 The Council would continue to fulfil its statutory duty to provide the English National Concessionary Travel Scheme, therefore there are not expected to be any legal implications resulting from this proposal. It should be noted that other Local Authorities have reverted to only providing the statutory scheme in recent years due to budget pressures as a result of reduced funding from Central Government.

9. FINANCIAL IMPLICATIONS

- 9.1 Funding for the statutory scheme is provided to TCAs from Central Government as part of the overall Formula Grant administered by the Ministry for Housing, Communities and Local Government (MHCLG). The Council's budget for the entire concessionary travel bus pass scheme (ENCTS statutory and local discretionary elements) for 2018-19 is £4.3M.

- 9.2 The total cost of the discretionary elements of the Access pass scheme is approximately £500k per year, however the estimated total saving is approximately £200-250k. This is due to the potential that users currently taking free trips under the current scheme rules will transfer to continue to undertake free trips under the new scheme rules. For instance, it is likely that a proportion of people currently undertaking trips before 9:30am or after 11:00pm during the weekdays will adjust their travel time to still fall within the statutory period under the proposed scheme rules. In these circumstances the Council will still have to reimburse the bus operator for the trips undertaken. For the current financial year, all bus operators are being reimbursed on a per trip basis with monthly estimates paid and reconciliation taking place at the end of the financial year. It should be noted that concessionary pass use can vary substantially in relation to seasonality and wider economic circumstances that are difficult to predict. Therefore it is not possible to precisely measure the level of savings that will be achieved and the predicted savings are based on previous year's data.

- 9.3 It is possible that the estimated saving of £200-250k for the budget saving proposals are an underestimate and that fewer users will adjust their travel to fall within the statutory time still valid for free travel. However it is felt that a working assumption of 50% of trips transferring is prudent for estimating the likely budget saving.

- 9.4 The statutory and discretionary elements of the Concessionary Travel scheme are funded from the Council's General Fund through a mixture of Government grant and income from other sources, including income from Bus Lane Enforcement. If this budget saving is implemented, the Bus Lane Enforcement income would be used to support other Council transport revenue commitments as part of the Council's overall General Fund.

10. BACKGROUND PAPERS

- 10.1 Budget 2018/19 & Medium Term Financial Strategy (Policy Committee, February 2018)
- 10.2 Budget Saving Proposal - Consultation Results for Changes to the Concessionary Fares Scheme for Older Persons, Policy Committee, 5th December 2016