

- Other Chief Officers Paul Galland, Strategic Director, Environment and Economy, David Carter, Strategic Director, Performance and Development
- District Councils
- Health Authority
- Police
- Other Bodies/Individuals

FINAL DECISION YES

SUGGESTED NEXT STEPS:

Details to be specified

- Further consideration by this Committee
- To Council
- To Cabinet
- To an O & S Committee
- To an Area Committee
- Further Consultation

Agenda No

Cabinet - 2nd April 2009.

Review of Concessionary Travel for Young People

Report of the Chair of Member Panel

Recommendation

That in view of the support already expressed by Leaders Liaison Group Cabinet agrees to the allocation of £20,000 from the Corporate Development Fund for a consultant's study into the feasibility of the introduction of a concessionary travel scheme for young people in Warwickshire.

1.0 Introduction

- 1.1 At its meeting of 30th October 2007 the County Council resolved to, “establish a cross-party panel of Members from both the Environment Overview and Scrutiny Committee and the Children, Young People and Families Overview and Scrutiny Committee, to look at the current travel options available to Warwickshire’s young people, and the opportunities for introducing a young person’s concessionary travel scheme on Warwickshire’s buses”. This decision was made in response a motion at Council which in turn was prompted by a campaign for concessionary travel by the National Youth Parliament.
- 1.2 The Panel of County Councillors was duly set up with the following aims:
1. To develop clear recommendations
 2. To develop a project plan for the implementation of a concessionary transport scheme
 3. To provide a clear cost analysis of all options
 4. To provide a clear idea regarding the level of need
 5. To develop an outcome that is supported by young people
 6. To provide equal access

2.0 Key lessons Learned

- 2.1 Since it first met, the Panel has gathered together a considerable body of evidence including,
- information on the current arrangements and cost of transporting young people to school and college in Warwickshire;
 - details of concessionary schemes already provided by bus operators in Warwickshire;

- material and data from other local authority areas where concessionary schemes have already been introduced;
- the current cost to Warwickshire County Council of providing both statutory and non-statutory transport (predominantly home to school/college for young people);
- information on a range of different approaches and supplementary benefits accruing from concessionary transport schemes (these include youth engagement initiatives, proof of age cards, library cards and retail and leisure discounts); and
- evidence from around the country on what has motivated local authorities to introduce a concessionary transport scheme.

2.2 The Panel is clear that the current concessionary travel arrangements as operated in Warwickshire are highly complex. In brief, some of the factors that contribute to this complexity are:

- the range of different public transport operators that currently exist in Warwickshire;
- the number and extent of concessionary arrangements that are currently in place e.g. half fare, third fare, single fare, discounts on season tickets, peak/off-peak, school transport (statutory, discretionary, denominational/non-denominational, home to college, special needs, looked after children, primary/secondary);
- the extent of the subsidies provided to bus operators, by WCC;
- parental contributions; and
- service availability.

2.3 In addition, the emerging 14-19 arrangements will require a radical re-think about how we transport our young people around Warwickshire in order to meet the new educational travel requirements.

2.4 Three local authorities were visited by officers and Members. These were Derbyshire County Council, Hertfordshire County Council and West Sussex County Council. The result of these visits and discussions with other authorities has revealed a wide range of approaches and results. Three examples are provided below that illustrate the range of approaches:

2.5 Kent County Council – as a congestion-busting measure the Council agreed to offer free bus travel (subject to a one-off payment of £50 by the client) to all secondary school children. This was initially piloted in 3 district areas but is likely to be rolled out across the county at an annual cost of £9 million.

2.6 Derbyshire County Council – introduced the ‘B-line’ scheme in response to concerns expressed about poor levels of youth engagement. This developed rapidly to include a concessionary travel scheme that allows 14-18 year-olds to travel for half of the adult fare on trains and buses. The scheme is supported by a strong marketing policy and includes discounts at retail and leisure outlets. The cost to the authority is £1.5 million a year.

2.7 West Sussex County Council – has operated a concessionary travel scheme since September 2007. This scheme offers variable fares depending on the

bus operator. It allows for cross-boundary journeys and uses a special ID card funded in part by a company called Citizen Card. The estimated cost of the scheme in the first year is £1.3 million and is expected to rise in subsequent years.

2.8 Across the country, take-up rates amongst young people for concessionary travel schemes have varied widely, but has typically been about 25%. Research has shown that take-up can be influenced by a host of different factors. For example,

- whether travel cards are issued automatically via schools or whether it is necessary to apply for them;
- the attractiveness of the concession offered (half-fare peak and off peak is more appealing than two-thirds fare off-peak only);
- the financial benefits to parents/carers;
- whether there is a culture of bus travel in the area;
- whether the buses operate to the locations and at the times young people want; and
- whether there are any alternatives to buses.

2.9 Perhaps the most surprising revelation to the Panel has been that most local authorities, who have established concessionary travel arrangements for young people, appear to have done so with no baseline data concerning child patronage and little idea concerning forecast uptake and costs.

3.0 The Conclusion of the Member Panel and Next Stages

3.1 At its meeting on 26th September 2008 the Member Panel agreed that:

1. If the County Council is to embrace the concept of concessionary travel for young people it must do so wholeheartedly. To introduce a scheme for one year, only to withdraw it in the future would not be acceptable.
2. Because of 1 (above) it is essential that before committing to any concessionary travel scheme the Council is as clear as it possibly can be on:
 - accurate data regarding current and future demand for public transport by young people;
 - the cost of reimbursing bus operators for concessions offered;
 - the effect of possible future fuel and fare rises;
 - the social benefits that a scheme can bring; and
 - the overall net cost to the Council (and council tax payers) of running such a scheme.

3.2 As a result of the above, the Panel concluded that it had reached the stage where a clear business case is required. The Panel were also of the view that it would be necessary to commission a specialist to undertake this work given the complexity of the issues involved. A specialist transport consultant would also have access to intelligence and data (some of it commercially sensitive) from around the country to inform the business case, as well as the added benefit of previous experience in gathering and interpreting such data. This

would generate significant added value to the Council in terms of enabling it to accurately estimate future demand levels and costs of a concessionary travel scheme.

- 3.3 It is estimated that such a project would cost £20,000. This cost would be less than if the council was starting from scratch as much of the background work has already been done (see Appendix A for Terms of Reference).
- 3.4 Having considered at length the best means of progressing this matter it was decided to present a report to the meeting of Leaders Liaison Group on 12th March 2009 with two options. These were,
- A. That agreement is sought via Leaders Liaison Group and Cabinet for the funding from the Corporate Development Fund for up to £20,000 to pay for the commissioning of a business case for young people's concessionary travel. If agreed, the work should be carried out after the June 2009 elections. (This work would equip the new Council with the information it would require to make an informed decision as part of the 2010/11 budget process on whether or not to commit to the establishment of a concessionary transport scheme.)
- B. That any further work on the development of a concessionary travel scheme for young people is deferred until a new Council has been elected in June 2009 in recognition of the financial constraints and challenges facing the Council at the present time and in acknowledgement of the fact that it may be more appropriate to include the scheme in the 2010/11 budget setting process
- 3.5 Leaders Liaison Group decided to support option A, the allocation of £20,000 for the commissioning of a business case.
- 3.6 The Warwickshire Members of the Youth Parliament decided at their meeting on 19th March to support the recommended way forward, and to write to the Leader of the Council to express this support.
- 3.7 Cabinet is asked to agree to the allocation of the £20,000 as set out above.

JOHN WHITEHOUSE
Chair of Member Panel

Shire Hall
Warwick

23rd March 2009

TERMS OF REFERENCE FOR CONCESSIONARY TRAVEL FEASIBILITY STUDY

1. The Proposed Scheme

- 1.1. Warwickshire County Council is seeking to introduce a concessionary bus fare scheme for young people. The proposal is to introduce a flat-rate concession that would give all young people a 50% discount against adult fares.
- 1.2. The scheme is designed to be all-encompassing: operating on all buses throughout the County and covering all ticket types (single, return, season etc). The scheme will cover both peak and off-peak travel and will allow cross-border travel where journeys start and end in Warwickshire

2. Aims & Objectives of the Proposal

- 2.1. The scheme is designed to achieve the following aims & objectives:
 - i. To meet the aspirations of the Warwickshire Youth Parliament around reduced price public transport for young people
 - ii. To promote a culture of bus use amongst young people that will give them greater independence, for example by providing better access to leisure facilities and so reduce car dependency and improve the health of young people
 - iii. To promote access and choice for all young people and to encourage participation in positive activities.
 - iv. To widen and support participation in education and training for students aged up to 19 – for example by aiding the delivery of the 14-19 agenda
 - v. Supporting isolated communities
 - vi. To reduce the environmental impact of car journeys and traffic congestion, reducing the carbon footprint and improving community and local sustainability factors, health, wealth and well-being
 - vii. Equity and consistency of subsidised travel for young people across the County.
 - viii. To contribute to the Narrowing the Gap agenda by enhancing transport and travel opportunities for young people across the County – particularly those who may not otherwise be able to afford to travel on public transport currently.
- 2.2. These objectives clearly link to Warwickshire County Council's main priorities, in particular:
 - i. Raising levels of educational attainment
 - ii. Pursuing a sustainable environment and economy
 - iii. Protecting the community and making Warwickshire a safer place to live.

- 2.3. In addition the establishment of this scheme will help to deliver the Warwickshire Local Transport Plan and associated targets. Particular core strategies and targets that will benefit from the scheme include:
- i. Accessibility Strategy (by helping to remove cost as a barrier for young people to access educational, employment and leisure opportunities)
 - ii. Congestion Strategy
 - iii. Air Quality Strategy
 - iv. Changing Travel Behaviour Strategy
 - v. Number of bus passenger journeys
 - vi. Patronage on Quality Bus Corridors/Quality Bus Initiatives
 - vii. Education & Inspections Act 2006 – LA duty to promote sustainable travel & transport (for all educational travel for young people)

3. Existing Transport Arrangements

- 3.1. In the last financial year (2007/08) the County Council spent a total of £12m on home to school transport – largely in response to the statutory duty placed upon it by the Education Act 1996 and the Education & Inspections Act 2006. However, there are some elements of existing service provision which are discretionary, although this does not amount to a material proportion of the total spend.
- 3.2. The County also spent a further £1.67m on transporting students aged 16-19 from home to college / sixth form. The majority of this transport was provided on a discretionary basis.
- 3.3. A break-down of the above spend (and the associated passenger numbers) are shown at the end of this note. A list of providers, existing school routes and passenger classes is also available.
- 3.4. In addition, consumption data regarding travel for young people aged 5-16 is available from the main transport operator in the region - the Stagecoach Bus Company. The data relates to travel in the last 12 months and covers around 71% of the county's passenger transport network. The remaining 29% of travel is provided by other operators on routes that are both controlled and heavily subsidised by the County Council
- 3.5. Other key transport providers in the County are Travel WM, the First Group, Arriva, De Courcey, Johnson's Coaches and Geoff Amos.

4. Assessing the Viability of the Proposed Scheme

- 4.1. In order to assess the viability of the Concessionary Scheme proposal, the County Council now requires a feasibility study to be undertaken in order to assess the likely financial and social impact of the scheme.
- 4.2. As yet it is unclear whether the proposal will encompass a global concession for all young people – i.e. across the complete age range from 5 to 19 years and at all times. Information is therefore requested for 4 options:-
- All travel for Young people (aged 5-19)

- All travel for Young people (aged 11-19)
- Off Peak travel for Young people (aged 5-19)
- Off Peak travel for Young people (aged 11-19)

4.3. In detail the feasibility study will provide answers to the following key issues:-

- i. The levels of demand generated by the proposed scheme over the next 3 years (and the degree of confidence associated with the projections)
- ii. The implications of the planned raising of the school leaving age to 18 by 2013, and its impact on the council in terms of statutory and non-statutory travel provision.
- iii. The costs of the scheme over the next 3 years – broken down into:-
 - one-off implementation costs (initial card issue, publicity, set up costs etc)
 - on-going running costs to WCC (including the subsidy costs arising from creating new services to cope with additional demand, the cost of on-going fare subsidies, management costs of running operator reimbursement schemes etc)
- iv. The likely generation factor that would be used in assessing the reimbursement payable to the Transport Operators and how this should be calculated. We would need separate information for each of the options identified above.
- v. An assessment of the likely operational issues that would need to be addressed before the scheme could be implemented (use of smart cards, reimbursement processes, card issue procedures etc)
- vi. Suggested solutions to the above and the associated costs
- vii. The opportunities that exist to incorporate a multi-use card into the proposed scheme. Including an assessment of the associated costs and benefits.
- viii. What degree of stakeholder involvement would be required to make the scheme a success and how this could be achieved in the most cost effective way. For example, engagement required with transport operators, young people, parents, schools etc.
- ix. What improvements the project would make to existing arrangements and the benefits that would accrue from the scheme and how they could be measured
- x. The timescale & resources required to implement the scheme
- xi. An assessment of the main risks involved in taking the scheme forward and their likelihood / impact

5. Key Contacts and Further Information

5.1. A significant amount of data has already been obtained by officers within the County Council. This can be accessed via the following contacts:-

- Kevin McGovern – Transport Operations Manager
- Andrew Stokes – Passenger Transport Manager
- Currently Vacant - Transport Strategist (14-19 agenda)
- Paul Williams – Overview & Scrutiny Officer

- Louise Denton – Overview & Scrutiny Officer
- Joanne Rouse – Performance Development Accountant

WARWICKSHIRE COUNTY COUNCIL - EXISTING TRANSPORT COSTS 2007/08

	Home to School Under 16 years		SEN Students Under 16 Years		Home to College / Sixth Form 16-19 Years		Looked After Children	
	£000	Numbers	£000	Numbers	£000	Numbers	£000	Numbers
Statutory	7,084	8,491	4,755	1,234	nil	nil	169	119
Non Statutory	nil*	382	nil**	nil	1,671	1,515	nil	nil
Total	7,084	8,873	4,755	1,234	1,671	1,515	169	119

In addition to the costs shown above, there is a further annual cost of £250,000 to administer the scheme.

* The majority of transport costs re denomination school travel are non-statutory. However, the cost of the discretionary element appears in the statutory total above. This reflects the County's existing transport policy.

** WCC provides transport for all statemented children. This is over and above their statutory obligation. However, the total cost appears in the statutory total above. This also reflects existing WCC policy.