



DISTRICT COUNCIL
NORTH OXFORDSHIRE



Concessionary Travel
Task & Finish Group Report
June 2009

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- Mr Philip Newbould, Rural Transport Partnership Officer, Oxfordshire Rural Communities Council;
- Members of Age Concern, Banbury
- Staff and customers of Banbury Community Transport Association (Dial A Ride)
- Residents of Cropredy
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- Councillor O'Sullivan, Older People's Champion, Cherwell District Council
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1 Executive Summary

"Improving the quality of life for all, particularly older people, ... disabled people ..."¹

This Council's commitment to concessionary fares and community transport schemes cuts across all of the corporate priorities:

Priority	Aim
A District of Opportunity	Make it easier for you to get where you need to go.
	Improve local services and opportunities in rural areas.
A Safe and Healthy Cherwell	Make it easy for you to lead a healthy and active life through our countryside, leisure facilities and tourist attractions

Theme 10 of the Cherwell District Council Community Plan, written in 2005/06, sets out the ambitions and targets for the Council and its partners for the period 2006 – 2011. It identifies the following specific aims:

- For older people: to promote independent living and provide better transport options...
- For the disabled: Increase mobility and transport opportunities and to further develop and promote the concessionary fares schemes...

The Task & Finish Group has endeavoured to keep these objectives in focus throughout the course of this review. In our discussions about concessionary travel we have found ourselves exploring issues relating to sustainable communities, rural access, community cohesion, an aging population and value for money.

In our work we have consulted with concessionary travel passengers, learnt from best practice elsewhere and worked with service providers to improve our knowledge and understanding of this complex area.

We have not identified any obvious solutions but we do hope that our work will serve to open up the debate on concessionary travel at a fundamental and strategic level.

Concessionary Travel Task & Finish Group June 2009

¹ Cherwell Community Plan, Action Plan 2006 – 2011, Theme 10

Recommendations

Recommendation 1: Smart Card Reader Scheme

That Cherwell District Council should not pursue the introduction of a Smart Card Reader scheme at this time due to the significant financial investment required and reservations about the current technical capacity of such schemes to meet the Council's needs. The government consultation on the future administration of concessionary travel schemes compounds the uncertainty.

Recommendation 2: Mis-ticketing

That the Portfolio Holder should publicise the importance of checking bus tickets and encourage bus pass holders to submit examples of mis-ticketing. The Portfolio Holder should follow-up examples of mis-ticketing with the bus companies; monitor the scale and value of the problem for the remainder of the financial year; and report on the results and proposed actions to the Overview and Scrutiny Committee in the spring of 2010.

Recommendation 3: Management Information

That the Portfolio Holder should encourage the concessionary fare service providers to move to a monthly rather than quarterly claim and settlement cycle.

Recommendation 4: National Travel Tokens

That the current arrangements for the issue of national travel tokens should continue for 2009/10 and that the Portfolio Holder should monitor the take up and use of the national travel token scheme. The Council's continued participation in the national travel token scheme should be reviewed against the findings of the independent research into the provision of community transport schemes in the district (see recommendation 5).

Recommendation 5: Community Transport

That Cherwell District Council should continue to support and promote the provision of community transport schemes across the District. In support of this corporate priority the Portfolio Holder should commission research into the feasibility of introducing alternative community transport schemes in those parts of the district where residents do not benefit from the concessionary bus pass, national travel tokens or the Dial-A-Ride service.

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Recommendation 6: Consortium approach

That the Portfolio Holder should open discussions with colleagues at the County Council and the District/City councils with a view to promoting a co-ordinated approach to the delivery of the national concessionary travel scheme, subject to the outcome of the government's consultation on the administration of concessionary fares schemes.

Recommendation 7: Government Consultation

That the Portfolio Holder should be invited to use the work of this Task & Finish Group and the conclusions and recommendations in this report to inform the Council's response to the government's consultation on the administration of concessionary fares schemes.

Recommendation 8: Concessionary Travel Scheme

That the start time for the concessionary travel scheme in Cherwell should not be reviewed again and should remain at 09.30 am, in line with the statutory scheme, until April 2011 when the new arrangements for the administration of the concessionary travel scheme will come into force.

3 Introduction

3.1 Objectives of the review

This Task & Finish Group report covers the second phase of a scrutiny review into concessionary travel. The initial scrutiny work conducted in 2008 concentrated on the financial implications to the Council of changing the start time of the concessionary travel scheme within the district. That work was completed in November 2008 but it identified a number of wider issues relating to concessionary travel that the Task & Finish Group agreed to look at in 2009.

Specifically they chose to concentrate on the feasibility of introducing a smart card reader scheme to address concerns about management information and data accuracy of concessionary travel and also to broaden the scope of the review to consider the Council's overall concessionary and community travel offering.

Appendix 1 details the activities and objectives of the Task & Finish Group.

3.2 Gathering the evidence

The Task & Finish Group met regularly on eight occasions from January to May 2009. They also held formal and informal discussions with members of their local communities to gather views and opinions on concessionary and community travel. In April 2009 members of the Task & Finish Group attended an open meeting at Age Concern, Banbury.

The Task & Finish Group also sought the views of representatives of some of the bus companies operating the concessionary travel scheme in the district; the Public Transport Policy Officer at Oxfordshire County Council; the Rural Transport Partnership Officer from the Oxfordshire Rural Communities Council; and officers involved in the implementation of a smart card enabled concessionary travel scheme in Northamptonshire.

Throughout the review the Task & Finish Group sought to involve the Older People's Champion and the Portfolio Holder, Community Safety, Street Scene and Rural, in their investigations.

4 Context

4.1 Concessionary Travel Statistics

The current population statistics for Cherwell indicate that there are approximately 27,000 people aged 60+.

The number of national bus passes issued to date (May 2009) is 16,501.

To date the number of people issued with travel tokens for 2009/10 is 3,943.

But not all of these bus pass and travel token holders are in the 60+ age group as some holders are disabled and some are carers.

4.2 Internal Audit Report on Concessionary Travel 2008/09

In January 2009 the Cherwell District Council internal audit team published its report on Concessionary Travel 2008/09. The objective of the review was to provide assurance that the Council was meeting its statutory responsibilities for concessionary travel and that the scheme was administered and managed effectively.

The report rated the service as “Good” rating and concluded that:

The Concessionary Travel scheme has been well administered with concise records being maintained and no issues are reported in respect of accuracy of the reimbursement calculations. The Local Transport Co-ordinator operates an effective system for checking and processing of concessionary fares claims.

There is not an effective process in place for tracking the returns for the annual certificate of accuracy and completeness which is required to be certified by a qualified Accountant and it has been recommended that a documented procedure manual should be in place”.

The Task & Finish Group considered this report at a meeting on 22 January 2009. They noted that all the recommendations had been accepted and that the Council had no contractual penalty or sanction with regard to the annual certificates of accuracy; and that other Council’s experienced similar problems usually with the smaller operators.

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4.3 Financial Assessment

In total Cherwell District Council spends about £1.3M per year on concessionary and community travel. This is spread across three main activities:

2008/09	£
Concessionary Bus Pass (re-imburements)	1,072,024
National Travel Tokens	49,230
Dial A Ride	205,463
Total	1,326,717

5 Evidence

5.1 Smart Card Readers

During the first phase of this scrutiny review the Task & Finish Group came across a number of comments and references to smart card reader technology. The implication was that this type of system would address the Task & Finish Group's concerns about management information and data accuracy. The Task & Finish Group's objective was to test the accuracy of this assumption.

Perhaps the most widely recognised smart card reader system is the Transport for London Oyster Card. This is a "tap on" / "tap off" system that records the start and end point and duration of any journey on bus or tube in London.

Another well established scheme using smart card technology is the NoWcard Multi-Authority Transport Scheme. This is a partnership covering Blackburn and Blackpool Unitary Councils, Lancashire and Cumbria County Councils and 18 District Councils in those two counties. It covers some 1800 buses owned by 8 major and 56 smaller bus operators and there are about 290,000 NoWcards in public hands. The participating authorities and operators cite reduced fraud; simplified decision making for bus drivers; and positive passenger acceptance as the main benefits of the scheme.

Northamptonshire County Council project

To find out more about the advantages and disadvantages of a smart card reader scheme the Task & Finish Group chose to speak to representatives from a neighbouring local authority, Northamptonshire County Council, about their decision to introduce a smart card scheme across a range of services, including concessionary travel, in 2009. The Task & Finish Group noted the following points:

- Northamptonshire County Council has had a long-term strategy to introduce multi-application smart cards across the county. These will not be limited to public transport and concessionary fares. They will also cover a range of activities such as libraries, sports centres, school meals & transport, and e-purse (for small value purchases such as parking, library fines and rentals).
- The move to smart cards had a strong customer service implication. Going forward residents would only need to complete one application form, stored on line, and then the service applications would be amended/updated as circumstances changed.
- The financial case for the smart card readers and back office support systems was spread across a much larger service area and had drawn on funding grants for transport and the other areas.

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- In broad terms smart card readers cost about £1500 per unit. There are a range of products and price varies according to functionality. This price is for a unit capable of capturing a reasonable level of management information. The back-office systems could cost around £30K and there are also on-going annual licence fees.
- The back office systems were expected to have a reasonably long shelf life. The bus passes and readers were expected to be “future proofed” for new technological developments and smart card replacements (e.g. mobile phone chips etc).
- This is a significant investment for small bus operators. Northamptonshire County Council accessed significant grant funding and is using some of this to make a grant to bus operators to install the machines. They are also providing a management service to small operators. Take up has been positive.
- Most national bus operators have a commitment to move the fleet to smartcards but this is dependent on their commercial pressures and not something that local authorities can easily influence.
- A key issue will be the “education” of the small bus operators to convince them of the benefits and to ensure that they capture the right journey information and understand the need to do this.
- There is a wide range of potential data capture / management information options. This will need to be very carefully considered and developed at the outset of any proposal to move to smart cards.
- Smart cards has the capacity to provide a lot of information which could allay concerns about the accuracy of re-imburement claims ~ as all journeys should be able to be mapped back to an individual card reference numbers. This would address concerns about fraudulent use of bus passes.
- Northamptonshire County Council is part of a county/district council Concessionary Fares consortium. Although each district operates its own travel scheme there is a degree of consistency which has been of benefit in the smart card project. The County Council procures the concessionary travel systems but the Consortium is the main interface with the public for issue of bus passes etc.
- The Northamptonshire consortium was also talking to Cambridgeshire to build a long-term relationship to share access to the “back-office” systems.

The bus operator experience

The Task & Finish Group also discussed the merits of smart card technology with the bus operators. The current position in the district is:

- **Oxford Bus Company:** smart card technology is in use but for commercial products not concessionary travel. Smart card readers

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were introduced onto the coach fleet in 2004 and to the bus fleet in 2006. This is an investment to support their commercial products because of the benefits of faster boarding times and the facility for season/discount and multi-journey ticketing. They are now promoting long-term and top-up products.

- **Stagecoach:** 100% of Stagecoach fleet in Scotland and Wales have smart card technology as part of the national concessionary travel scheme, funded by the national assemblies. They have already introduced smart cards where the local authorities have funded the initiative (e.g. NOW cards in north west England). They have a 2-3 year programme to introduce smart card technology across the UK to support their commercial products. They plan to roll-out smart cards across the Oxfordshire fleet within 12 months. However, the roll-out will be staggered, focusing on priority bus routes.
- **Small operators:** none of the smaller, local operators in the Cherwell District use smart card reader systems. This is primarily due to the investment cost; although some operators who cross the county boundary have been approached by Northamptonshire to consider introducing smart card readers and Dial A Ride have also been trialling hand held smart card readers.

The bus operators' view was that the smart card readers were beneficial to them as they supported commercial ticket products; increased boarding times; and were easy to use and reliable. They said that the main drawback was that most ("Tap On") schemes only recorded data on entry because of problems with controls and functionality for recording passenger exit ("Tap Off").

They pointed out that a basic smart card technology (e.g. "tap-on" with no ticket issued) will record origin of passenger (e.g. home district) and boarding point and date/time etc. It is possible to record additional journey details at point of sale but that requires driver data entry to customise ticket. But this level of detail is currently available without smart card technology (see below).

The only way to get full passenger journey data would be a "Tap-On and Tap-Off" system. But this would be open to abuse as passengers could "tap-off" early but continue travelling; and there would be delays in disembarking, resulting in passenger inconvenience and a knock-on impact for bus scheduling. They felt that the disadvantages of the current "Tap-On and Tap-Off" schemes outweighed the potential benefits.

The Task & Finish Group agreed that overall this was a very interesting and potentially exciting area to explore but they recognised that the established schemes, such as the Northamptonshire project, had been long-term, strategic initiatives which had their origins in a more robust economic climate.

The Task & Finish Group concluded that in view of the significant financial investment required and the reservations about the current technical capacity

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of the smart card reader systems to address the concerns about management information and data accuracy it would not be appropriate for Cherwell District Council to pursue the option of smart card reader technology for concessionary travel at this time. However, they did feel that topic, and in particular its wider service applications, was one which was worth considering in the future, ideally in consultation with the County Council and the other District Councils.

Recommendation 1

Cherwell District Council should not pursue the introduction of a Smart Card Reader scheme at this time due to the significant financial investment required and reservations about the current technical capacity of such schemes to meet the Council's needs. The government consultation on the future administration of concessionary travel schemes compounds the uncertainty.

Mis-ticketing

A major area of concern identified during the first phase of the scrutiny review was the frequency with which concessionary bus pass holders received incorrect tickets (mis-ticketing). This was something that the Task & Finish Group discussed with the representatives from Stagecoach Oxford and the Oxford Bus Company and with the Public Transport Policy Officer, Oxfordshire County Council.

Although the Task & Finish Group were aware of a number of examples of bus pass holders being given tickets for a longer journey duration than they had requested (e.g. Oxford to Banbury rather than Oxford to Kidlington), the Council did not keep any formal records of such occurrences.

The Task & Finish Group noted the following points:

- that there was no legal requirement for a bus operator to issue a ticket for concessionary travel; it was sufficient just to record the journey details on the ticket reader;
- there was no personal financial incentive for drivers to issue incorrect tickets;
- that tickets are subject to checking and challenge by the passenger, the inspector and local authorities;
- that the bus operators have an on-going education campaign for staff about the importance of accurate ticketing and a process for dealing with valid complaints/challenges.

Both companies said that they maintained data on volumes of mis-ticketing and they urged the Council to inform them of instances of mis-ticketing so that they could address the problem.

It was clear to the Task & Finish Group that there would always be an element of human error relating to the issue of tickets, especially on busy or unfamiliar

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routes. They also felt that the majority of concessionary bus pass holders did not appreciate the financial implications of mis-ticketing for the Council. The Task & Finish Group felt that, for a trial period, the Council should monitor the instances of mis-ticketing to gain an idea of the scale and value of the problem. To that end the Council should also encourage bus pass holders to check their tickets and report any problems.

Recommendation 2: Mis-ticketing

That the Portfolio Holder should publicise the importance of checking bus tickets and encourage bus pass holders to submit examples of mis-ticketing. The Portfolio Holder should follow-up examples of mis-ticketing with the bus companies; monitor the scale and value of the problem for the remainder of the financial year; and report on the results and proposed actions to the Overview and Scrutiny Committee in the spring of 2010.

Management Information and Re-imburement

One of the issues that the Task & Finish Group wanted to explore was the possibility of obtaining more detailed invoice data and management information without investing in smart card reader technology.

At present the majority of the bus operators submit quarterly passenger data and claims for re-imburement. Individually and in total these claims are of a significant value (£229K for Q3 2008/09). It would assist the Council's budgetary control and financial planning if the bus operators would agree to move to a monthly claim and settlement cycle. The initial response from the larger of the bus companies is that they would be reluctant to move to monthly claims as it would increase their administrative costs.

Similarly the representatives from Stagecoach Oxford and the Oxford Bus Company said that could provide more detailed management information about the number of passengers starting journeys at particular times and /or locations. But without smart card reader technology they would not be able to demonstrate whether the pass holder was from Cherwell, elsewhere in Oxfordshire or out of county. They questioned whether this additional data would really be of value to the Council, especially as they were likely to have to charge the Council for the provision of such detailed management information.

Nevertheless the Task & Finish Group felt that this was an option worth pursuing in more detail with the various bus operators.

Recommendation 3: Management Information

That the Portfolio Holder should encourage the concessionary fare service providers to move to a monthly rather than quarterly claim and settlement cycle.

5.2 National Travel Tokens

Background

This is a discretionary activity; there is statutory requirement for a local authority to offer travel tokens as an alternative to the national concessionary bus pass.

In considering the national travel token scheme the Task & Finish Group sought to answer the following questions:

1. Why do residents opt for travel tokens?
2. Do travel tokens represent value for money for the residents of Cherwell?
3. Do travel tokens represent value for money for the Council?
4. Should CDC
 - increase the value of travel tokens?
 - offer travel tokens on a sliding scale, by age, time &/or location?
 - introduce its own travel token scheme with time limits for surrender?
 - offer other alternatives to travel tokens (e.g. railcard)?
 - withdraw travel tokens?
5. Are there other residents who should be eligible for travel tokens?
6. Could residents' needs be met by other schemes?
7. Should CDC re-allocate the travel token funding to support other concessionary fare/community transport initiatives?
 - Would this deliver greater value for money for residents?
 - Would this deliver greater value for money to the Council?

Cherwell District Council currently offers £30 of travel tokens to eligible residents² as an alternative to the national concessionary bus pass. The value of the tokens was last reviewed in April 2006 when the rate increased from £19. Residents can apply for tokens at any time during the year but the value of tokens decreases proportionally over time.

Demand for travel tokens has remained fairly constant, despite the alternative of unlimited free, off-peak bus travel. In broad terms about 25% of the eligible population in the district opt for travel tokens rather than the national bus pass. The Task & Finish Group estimate that the financial benefits of the national bus pass to a resident is about double the value of travel tokens on offer— provided of course that they have access to and can use a bus.

Analysis of travel token activity

Year	£ value of tokens issued	# of applications processed
2006/07	174,530	5,630
2007/08	165,757	5,347
2008/09	138,570	4,470
2009/10 (May 09)	122,100	3,943

² Over 60; disabled or a carer

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Maps showing the public transport routes in the district and a breakdown of bus pass and travel token holdings by parish are at Appendices 2 – 4.

Why do residents opt for travel tokens?

The fundamental objective of providing travel tokens should be to offer an alternative to those residents who cannot use buses to travel locally and therefore cannot take advantage of the concessionary bus pass. This means primarily either those with limited mobility, who may find it difficult to walk to a bus stop or get on a bus, or those with a poor or non-existent local bus service.

However, there is evidence to suggest that this target group may not be benefiting most from the provision of travel tokens. In a survey of token recipients in Cherwell carried out in autumn 2005, prior to the introduction of free concessionary travel, people were asked why they chose tokens as opposed to the bus pass. Only 8% of people cited reasons to do with the inadequacy of the bus service, and only 4% said they had difficulty in getting on and off buses.

As a substitute for local bus travel for those without ready access to bus services, or those with limited mobility, taxis are undoubtedly the most suitable form of transport. The 2008 travel token survey results show that the vast majority of residents chose to use their tokens on taxi and train travel.

Extract from concessionary fares survey 2008	Frequency	%
Please tell us which method of transport you use your tokens for:		
Bus	1003	33%
Taxi	2010	66%
Train	1654	54%
Dial a Ride	79	3%
Total	4746	156%
The figures exceed 100% because residents could choose more than one method of transport		

This is borne out by comments made by residents to members of the Task & Finish Group which suggests that a significant portion of the travel tokens are used mainly for the purchase of a senior railcard or for single long distance taxi journeys (“it pays for the taxi to the airport for my annual holiday”) or on bus services which do not accept the concessionary bus pass (e.g. Oxford Tube and, from April 2009, Dial-A-Ride).

What do other local authorities offer?

The Task & Finish Group looked at the arrangements offered in neighbouring and other local authorities.

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There appears to be a general decline in the issue of travel tokens by local authorities. Many authorities chose to review and/or withdraw from the national travel token scheme on the introduction of the national concessionary travel scheme in April 2008. Moreover the company which issues the travel tokens, National Transport Tokens Ltd is now promoting a new product: COPS (Concessionary Operator Payment Scheme) as an alternative to travel tokens. Essentially this is a hand held card reading device which offers the same sort of service/benefits as a smart card. They cite the key benefits of the smartcard over tokens as: "it overcomes the misuse" and "reassures local authorities that the whole of the allocated budget is being used or repaid".

The position amongst neighbouring authorities in Oxfordshire is as follows:

- South Oxfordshire District Council offers £20 worth of travel tokens to people over 70 years of age as an alternative to the bus pass. Didcot Town Council supplements this with an additional £10 of tokens for their residents. If the claimant has a disability they will receive an extra £20 worth of travel tokens.
- West Oxfordshire District offer £31 worth of travel tokens or a railcard as an alternative to the bus pass.
- Oxford City and Vale of White Horse District Council do not offer travel tokens.

Looking further afield the situation is as follows:

- Aylesbury Vale offers taxi tokens (£65 less £5 fee) or a senior rail card (£2 fee).
- South Northamptonshire does not offer travel tokens
- None of the five Warwickshire local authorities offer travel tokens, although North Warwickshire Borough Council offers taxi tokens which can only be used with a local taxi companies and community transport schemes.

Some authorities, such as Hart District Council, West Berkshire or Basingstoke and Deane, produce their own colour coded travel tokens to reduce the risk of stock-piling or transfer.

West Berkshire applies a variable rate on travel tokens issued to residents based on their postcode. The postcode bands are historic and based upon local amenities and bus service frequency. Applicants living in areas of good local amenities or regular bus services will receive fewer tokens than those customers who live in an area of limited local amenities and low level of bus services. The full year allocations for 2008/09 were: £30, £45 and £60 according to the postcode banding.

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The Task & Finish Group identified a number of reasons why national travel tokens could be considered unsuitable:

- Under the current scheme the Council had no control over when, where or how the tokens were spent;
- Travel tokens were subject to fraud and misuse;
- They are effectively cash, which means they are easily passed on or even sold to people who do not need / are not entitled to them;
- There is no time limit on their use – it is known that some people store them from year to year and do not use them;
- If the tokens are not used, or are used outside the district, the value is lost to the Council, as the tokens are pre-paid by the Council;
- There is a risk to Council staff in handling what is essentially a cash substitute.
- There is an administrative cost to the Council in issuing and processing the tokens. The unit costs of these transactions has increased as the closure of the Council's cash offices means that we can no longer collect the £1 administrative charge for issuing travel tokens.

In conclusion the Task & Finish Group questioned whether the value of travel tokens was really sufficient to meet the purpose originally intended and provide real benefit to residents in need. They also felt that in some cases they were taken because they were seen as an entitlement rather than to meet a genuine need. They suggested that an option to introduce tokens which could only be used within the District and support the local economy was worth investigating. Finally they agreed that as a principle the administration costs of any travel token scheme should be kept to a minimum; so allocations linked to council tax bands or means tested were not favoured.

On balance the Task & Finish Group felt that the provision of travel tokens may not represent value for money for the Council and that further work to better understand the "customer motivation" for the current arrangements and to explore alternative options would be appropriate.

Recommendation 4: National Travel Tokens

That the current arrangements for the issue of national travel tokens should continue for 2009/10 and that the Portfolio Holder should monitor the take up and use of the national travel token scheme. The Council's continued participation in the national travel token scheme should be reviewed against the findings of the independent research into the provision of community transport schemes in the district (see recommendation 5).

5.3 Community Transport Schemes

There is only one community transport scheme operating in the district: Dial A Ride. This pre-booked service is invaluable for those with reduced mobility, as passengers are taken door-to-door to destinations in Cherwell.

Dial A Ride

Dial-a-Ride is a door to door bus service operated by Banburyshire Community Transport Association with grant funding from Cherwell District Council, Oxfordshire County Council and other agencies. It operates from Banbury, Bicester and Kidlington.

The Dial-a-Ride service is for passengers who fall within one or more of the following criteria:

- passengers of any age with mobility difficulties;
- people of any age with visual difficulties;
- people with severe learning difficulties (provided the person can travel on their own or is provided with an escort throughout the journey);
- elderly frail people or others who experience significant difficulties in using conventional public transport;
- escorts and guides travelling with a registered user.

In the summer/autumn of 2008 Oxfordshire County Council undertook a review of community transport arrangements in the county. As part of that exercise they sought community views regarding the Banburyshire Community Transport Association (BCTA) Dial A Ride service. The feedback was very positive and the County Council confirmed its funding support for 2009/10; although it did identify an overall decline in passenger numbers and proposed working with BCTA and Cherwell District Council to identify ways to improve patronage or to re-allocate services to align more closely to identified client needs.

Other Community Transport Schemes

Elsewhere in the county community transport is provided by the Oxfordshire Community Transport Accessible Bus (OCTABUS) in partnership with Oxfordshire County Council, Vale of White Horse, South Oxfordshire and West Oxfordshire District Councils.

The Vale also supports a hospital appointments allowance scheme; and across the rest of the county there are a number of car based volunteer driver schemes, usually in the rural communities providing essential links for medical appointments or shopping.

In the past Cherwell District Council has not developed or supported other community transport schemes due to the success of the Dial A Ride service. However, the Task & Finish Group agreed that it would be timely for the

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Council to consider what alternative community transport schemes might be available to meet the needs of all residents and to offer a complementary service to that provided by Dial A Ride and the provision of bus passes and national travel tokens.

Recommendation 5: Community Transport

That Cherwell District Council should continue to support and promote the provision of community transport schemes across the District. In support of this corporate priority the Portfolio Holder should commission research into the feasibility of introducing alternative community transport schemes in those parts of the district where residents do not benefit from the concessionary bus pass, national travel tokens or the Dial-A-Ride service.

5.4 An Oxfordshire consortium

Perhaps one of the most surprising facts to emerge from the work of the Task & Finish Group was the realisation that the local authorities in Oxfordshire are among only a few in England who have not adopted some sort of joint approach to concessionary travel.

Examples of a co-ordinated approach to concessionary travel include:

- Warwickshire County Council coordinates the scheme on behalf of its five local councils
- The Devon-wide concessionary travel scheme is funded and managed by a partnership of 7 of the District Councils in Devon. Devon County Council administers the scheme on behalf of the partnership.
- The NoWcard Multi-Authority Transport Smart Card Scheme is a partnership covering Blackburn and Blackpool Unitary Councils and Lancashire and Cumbria County Councils and 18 District Councils in those two counties.

There are considerable variations within these arrangements. Some are formal partnerships providing standardised concessionary travel; some are limited to a joint procurement arrangement for the administration and management of the bus passes; others combine the economies of scale derived from central administration with local flexibility on the discretionary elements of concessionary travel.

The representatives from Stagecoach Oxford and the Oxford Bus Company who met the Task & Finish Group both felt that this fragmented delivery of concessionary bus travel across Oxfordshire caused problems. They would prefer to deal with a single point of contact for the county and if possible to standardise on a county-wide scheme to avoid confusion and conflict for passengers and drivers at transition stages and/or times.

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The Public Transport Policy Officer from Oxfordshire County Council recognised that there could be benefits in consistency and economies of scale from a co-ordinated approach. But he had reservations about potential conflicts of interest with the County Council's responsibilities as a Transport Authority (e.g. the provision of subsidised services).

The Task & Finish Group felt that there was sufficient evidence to suggest that the residents of Oxfordshire could benefit from a more co-ordinated approach to concessionary travel within the county. They agreed that despite the current uncertainty over the future administrative arrangements for concessionary travel caused by the Government's consultation, there was merit in holding preliminary discussions with the County and District/City councils.

Recommendation 6

That the Portfolio Holder should open discussions with colleagues at the County Council and the District/City councils with a view to promoting a co-ordinated approach to the delivery of the national concessionary travel scheme, subject to the outcome of the government's consultation on the administration of concessionary fares schemes.

5.5 Government Consultation³

On 28 April 2009 the Government launched a consultation on possible changes to the administration of concessionary travel. The consultation will look at various options for changing the tier of government which is responsible for administering the England-wide bus pass. If the Government takes a decision to introduce any of the proposed changes, the most likely opportunity to do so would be at the start of the next three year local government finance settlement (scheduled for April 2011).

Why is the Government considering changes?

A number of problems with the current arrangements for administering concessionary bus travel have been identified by local authorities, stakeholder groups and operators. These include:

- scheme variations across Travel Concessionary Authority boundaries
- too many negotiations with bus operators
- lack of capacity in some Travel Concessionary Authorities
- difficulty of accurately funding Travel Concessionary Authorities

³ Possible changes to the administration of concessionary travel: consultation paper, Department for Transport, April 2009

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- the non-alignment of Travel Concessionary Authority and Transport Authority responsibilities.

What options are being considered?

The consultation is looking at several proposals for how concessionary travel is administered:

- no change (remain with District Councils)
- transfer to higher-tier local authorities (usually County Councils)
- transfer to central administration (Department for Transport or agency)
- transfer to regional administration (would require primary legislation and take longer to implement)
- transfer of statutory and/or discretionary elements of the scheme

The Government’s stated preference is to transfer the administration of both the statutory scheme and any discretionary elements to “higher-tier” local authorities (County Council) in April 2011.

What does this mean for Cherwell?

An initial assessment of what this might mean for Cherwell is set out below:

Advantages of any transfer	Disadvantages of any transfer
<p>Users</p> <ul style="list-style-type: none"> • Likely to avoid scheme variations (e.g. start time) across district boundaries <p>CDC</p> <ul style="list-style-type: none"> • CDC savings in administration costs • Possible budget gains depending on the formula used to transfer funding • Reduced involvement with bus operators (appeals, negotiations etc) • CDC resources released to focus on other aspects of concessionary travel/community transport <p>Bus Operators</p> <ul style="list-style-type: none"> • Single scheme for Oxfordshire – drivers would not need to know district boundaries • Negotiations with fewer local authorities – County Councils are already transport authorities responsible for bus service subsidies, etc. 	<p>Users</p> <ul style="list-style-type: none"> • Loss of local contact points for bus pass applicants • Potential loss of any discretionary element (e.g. free travel for carers) <p>CDC</p> <ul style="list-style-type: none"> • Possible budget losses depending on the formula used to transfer funding • Limited, if any, influence over discretionary elements to meet any specific needs of Cherwell residents

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Funding

The consultation focuses on the principle of who should administer concessionary travel. This leaves considerable uncertainty about the funding implications of any change. The Government has indicated that this will not emerge before the DCLG consultation on the wider local government finance settlement starting in 2010.

The statutory minimum concession is funded through two channels: formula grant and the 3-year concessionary travel special grant. It is not possible to identify how much formula grant has been allocated to a local authority for any particular service.

If concessionary travel does transfer to the County Council, the Government's intention is that funding should flow through formula grant. The DCLG consultation in 2010 will therefore include consideration on what is the best distribution and could include the use of new data sources (such as concessionary bus patronage) as the basis for the distribution.

The Government claims that one of several benefits of moving the administration of concessionary travel to a higher-tier of government is that it would allow more accurate funding for concessionary travel.

Cherwell's response to the consultation

The deadline for responses to the consultation is 21 July 2009.

Members of the Task & Finish Group met with the Portfolio Holder and the Head of Safer Communities & Community Development on 17 June 2009. They considered the issues identified in the consultation document and discussed the options and the implications to the District Council of any concessionary travel service transfer.

They concluded that they would advise the Portfolio Holder to recommend that the Executive respond to the consultation that this Council's preferred option is to keep the service as a district council function.

The reasons for this include uncertainty over the funding formula which would be used to transfer grant as some initial projections suggest that the Council could be significantly worse off as a result. They also felt there were added benefits to our local residents to keep the service local so that queries could be handled by the District Council and our officers/members would have a greater understanding of local need.

If the Government consultation concludes that there should be no change to the current arrangements and that administration of concessionary travel should be the responsibility of District Councils, the Task & Finish Group emphasised the importance of negotiating with our district council colleagues to establish an Oxfordshire concessionary travel consortium and progress a

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single scheme across the county similar to many parts of the country (see recommendation 6).

Recommendation 7

That the Portfolio Holder should be invited to use the work of this Task & Finish Group and the conclusions and recommendations in this report to inform the Council's response to the government's consultation on the administration of concessionary fares schemes.

5.6 National Concessionary Travel Scheme

The first phase of this scrutiny review focused on how much the concessionary travel scheme would cost Cherwell District Council if the 9.00 am discretionary start time was re-introduced. The matter was discussed by the Overview and Scrutiny Committee on 25 November 2008.

The Committee concluded that although some members of the Committee were personally sympathetic to the re-introduction of a discretionary 9.00 am start time the Committee as a whole were mindful of the financial considerations facing the Council and could not recommend funding the revised start time at the expense of other Council services. They recommended to the Executive that there should be no change to the statutory 9.30 am start time but that the situation should be reviewed again in six months time.

The Executive considered and accepted this recommendation on 12 January 2009 as part of the 2009/10 budget discussions.

Although the second phase of this scrutiny review has focused on the wider aspects of concessionary and community travel the Task & Finish Group believe that it is appropriate to comment here on the recommended start time for the scheme. In view of the Government consultation and the on-going financial constraints facing the Council the Task & Finish Group consider that it would be best to leave the start time at 9.30 am until the new arrangements come into force in April 2011.

Recommendation 8:

That the start time for the national concessionary travel scheme in Cherwell should not be reviewed again and should remain at 09.30 am, in line with the statutory scheme, until April 2011 when the new arrangements for the administration of the concessionary travel scheme will come into force.

6 Conclusion

This scrutiny review has given the members of the Task & Finish Group, some of whom had only a passing knowledge of concessionary and community travel schemes, a valuable insight into the complexities of delivering an equitable, value for money service across the district. This lack of prior knowledge proved helpful in so far as it obliged the members of the Task & Finish Group to take a lay person approach and insist that the officers and experts present the information in simple terms.

The Task & Finish Group believe that the provision of appropriate concessionary and community travel schemes across the district has been, and must remain, fundamental to the achievement of the Council's priorities and aims to be a district of opportunity and a safe and healthy Cherwell.

That said the Task & Finish Group feel that there is scope for the Council to reaffirm its commitment to concessionary and community travel by commissioning further research to explore opportunities for service rationalisation, improvement and potentially expansion.

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KEY OBJECTIVES:

1. To investigate how much the Concessionary Fares Travel Scheme would cost the Council if the 9.00am start was re-introduced.				
COMPLETED				
No.	Key Task	Outcome	Milestones	Resources
1.1	Review Q2 utilisation data and charges from bus operators	To reach a view on the projected costs of the Concessionary Fares Travel Scheme in 2008/09 and budgeted costs for 09/10	3 Nov 08 = T&FG meeting	CDC <ul style="list-style-type: none"> • Grahame Helm • Pauline McCreddie • Karen Muir
1.2	Review which bus services are affected by 9.30am start and explore scope for feasibility / costings of providing a partial service		13 Nov 08 = T&FG meeting	
1.3	To debate the issues with all Committee members and reach a conclusion		25 Nov 08 = Overview & Scrutiny Committee	
2. To investigate the options for introducing SMART card technology for concessionary fare travel on bus services in the District.				
No.	Key Task	Outcome	Milestones/Timescales	Resources
2.1	Audit of bus operator concessionary fares claims. Possibly through a mystery shopping campaign.	To determine the accuracy of the current bus company claims for concessionary travel within Cherwell.	Estimated 3 - 4 month review timescale, commencing in January 2009.	<ul style="list-style-type: none"> • Grahame Helm • CDC Internal Audit • Bus Operators
2.2	Briefing on SMART card technology	To gain an understanding of the operational benefits and costs of card reader technology. To determine the potential benefits to the Council in using SMART card technology.	Report findings in June 2009.	<ul style="list-style-type: none"> • Other operators • Other schemes

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2.3	Review best practice, successful concessionary fares schemes in other areas.	Identify potential for replication of best practice at Cherwell.		<ul style="list-style-type: none"> Best practice schemes in other local authorities
2.4	Review of Travel Tokens	To review the travel token scheme		<ul style="list-style-type: none"> Grahame Helm
2.5	Review potential for partnership working	To look at the scope for a combined approach/delivery on concessionary fares in Oxfordshire		<ul style="list-style-type: none"> Grahame Helm
2.6	Round table discussions with user groups	To understand the issues of concern to the user groups in the district. Focus group discussions in a range of urban/rural locations across the district.		<ul style="list-style-type: none"> Ward Cllrs Grahame Helm
2.7	Other concessionary/community travel services (BCTA, Dial a Ride)	<ul style="list-style-type: none"> look at the Council's support/contribution to these (and any other schemes?) to ensure that we offer a consistent/vfm approach to concessionary fares? Look at the results of the Dial A Ride consultation in summer of 2008 		<ul style="list-style-type: none"> Grahame Helm
2.8	Discussions with Cllr O'Sullivan and Portfolio Holder	<ul style="list-style-type: none"> to discuss initial conclusions and draft report/recommendations 		<ul style="list-style-type: none"> all T&FG

Meeting date	7 Jan	22 Jan @ 5pm	12 Feb @ 4pm	4 Mar @ 4.30pm	25 Mar @ 4pm	22 Apr @ 5 pm	21 May @ 4.30pm	27 May @ 4.30pm	9 June
Topic	Initial briefing	2.1	2.1 and 2.2	2.4 and 2.7	2.1 and 2.2	2.3 and 2.5	Draft report and recommendations	2.8	OSC meeting
Witnesses		Internal Audit	SMART experts	Travel Tokens and Dial A Ride	Bus operators	OCC and ORCC reps		Morris O'Sullivan	Consider final report

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