

DECISION-MAKER:	Kate Martin – Executive Director of Place
SUBJECT:	Concessionary Fares Scheme 2022/23
DATE OF DECISION:	18 January 2022
REPORT OF:	Head of Green City & Infrastructure - Pete Boustred

<u>CONTACT DETAILS</u>			
Executive Director	Title	Executive Director of Place	
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STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

To agree the final scheme and the reimbursement rate calculation methodology for bus companies for the Concessionary Fares Scheme for 2022/23

RECOMMENDATIONS: Having complied with paragraph 15 of the Council's Access to Information Procedure Rules.

	(i)	To agree to reimburse bus operators in line with the Department for Transport Concessionary Fares Guidance and the calculation methodology as detailed in Appendix 1. This will use the Reimbursement Calculator published by the Department for Transport to determine the reimbursement rate for each operator.
	(ii)	To agree to continue the local enhancements above the statutory minimum, which is to allow concessionary travel from 0900 rather than 0930 and between 2300 and 0030 for Southampton residents.
	(iii)	To authorise the Head of Green City and Infrastructure to do anything necessary to give effect to and implement the Scheme for 2022/23 (including but not limited to service of notice on operators as required by legislation).

REASONS FOR REPORT RECOMMENDATIONS

1.	To enable the Council to comply with the statutory requirement to approve and publish the Concessionary Fare Scheme details including the local enhancements and the reimbursement rate that the Council will use.
2.	The Concessionary Fare Scheme for 2022/23 needs to be approved prior to the commencement of the Scheme on 1st April 2022.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3.	The Council could withdraw the local enhancements that are offered to City residents but this is likely to achieve little saving as most passengers would just travel 30 minutes later in the morning once free travel is allowed.
DETAIL (Including consultation carried out)	
4.	The Council is required by law to give bus operators 28 days' notice of the Scheme that will operate and the proposed methodology for determining the reimbursement rate. This report will allow the Council to give the required notice. Should the bus operator refuse to participate in the concessionary fare scheme the Council would need to issue a participation notice requiring them to do so. For the Notices to be effective, final confirmation is necessary of the additional local enhancements to the statutory minimum i.e. travel from 0900 rather than 0930 and between 2300 and 0030 for Southampton residents. Non-Southampton residents will qualify for the statutory minimum. The proposed scheme for 2022/23 is the same as that which was agreed and operates in 2021/22. This offers residents greater opportunity to access health and other facilities so helping with well-being.
5.	The Department for Transport provides local authorities with guidance each year on the reimbursement and a calculator to use. This takes various factors into account and the information on the scheme that the authority has submitted. The Council will apply the DfT Concessionary Fares Guidance including the Reimbursement Calculator to determine the reimbursement rates for each operator. This is the same methodology as applied for 2019/20 scheme year.
6.	The Scheme details for 2022/23 outline what will happen in normal operating circumstances i.e. the methodology using DfT guidance that will be applied. This ensures SCC has a legal scheme that will reimburse the operator at no better no worse off principles, as it would in any normal year. The Scheme details approved as part of this paper is separate from any methodology that will be considered to support bus operators during the current Covid-19 pandemic and recovery period.
7.	The Council also produces a claim form that operators are required to populate with data on concessionary fare use and average fares. As the bus network in Southampton has been subject to several changes, intensive competition and reductions in fares, the Council will continue to calculate the average fare and reimbursement as based on the DfT Concessionary Fares guidance as has been the case for the previous 2021/22 Scheme and will not be entering into a fixed arrangement with any of the larger operators. A fixed arrangement will continue with the smaller operators in the city who generate nominal levels of reimbursement. Once the scheme starts on 1st April 2022 bus operators then have 56 days to appeal to the Secretary of State on the proposed reimbursement rates. Appendix 1 shows details of the final

	Scheme for 2022/23
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
8.	The budget for concessionary fares in 2022/23 is £5,034,000 (but is subject to a proposed one year MTFS savings adjustment of £0.35M to be approved February 2022). This is forecast at this time, to be an appropriate level to fund the proposed scheme in 2022/23. This will be closely monitored as bus patronage levels adjust throughout the year and further guidance from Government emerges to support the longer-term recovery as part of the National Bus Strategy.
<u>Property/Other</u>	
9.	There are no property or other implications
LEGAL IMPLICATIONS	
<u>Statutory power to undertake proposals in the report:</u>	
10.	Concessionary Fares are governed by the Transport Acts of 1985 and 2000, and the Concessionary Fares Act of 2007. If it were to be agreed that the future that no enhancements over and above the statutory minimum will be offered, then the 1985 Act does not apply as all local enhancements are made under the Concessionary Fares Act 2007.
<u>Other Legal Implications:</u>	
11.	The provision of a concessionary travel scheme in accordance with the national minimum is a statutory duty. A discretionary power exists to provide a scheme that extends the entitlement of services over and above the national minimum. Any scheme must be made having regard to the Human Rights Act 1998 (with any national minimum scheme will be deemed to comply) and the Equalities Act 2010, in particular the Public Sector Equalities duty. A comprehensive Equalities Impact assessment has been completed in order to inform the recommendations and scheme and scheme enhancements are offered in order to positively assist the elderly access essential services at earlier times in accordance with that duty. Statutory notice must have been given by 1st December 2021 and any representations received in accordance with the Notice considered and determined in accordance with the Act and Regulations. Operators who object to the inclusion of local enhancements may be served with a Participation Notice and guidance on the appeal route to be followed in the event they sustain any objection to the Scheme.
RISK MANAGEMENT IMPLICATIONS	
12.	Once the scheme starts on 1st April bus operators then have 56 days to appeal to the Secretary of State on the proposed reimbursement rates. This could impact on the final reimbursement rates if the bus operators were to win an appeal. The risk of this is managed by the Council Scheme being consistent with the DfT Concessionary Fares guidance.

POLICY FRAMEWORK IMPLICATIONS	
13.	The provision of concessionary travel accords with the policy direction of the City's adopted Local Transport Plan (2019) and Bus Service Improvement Plan (2021) by helping the Council meet its targets for increasing the use of sustainable transport modes (and bus travel in particular) and also increasing accessibility and promoting social inclusion.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	Not applicable
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Concessionary Fare Scheme 2022/23

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No YES
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Data Protection Impact Assessment

Do the implications/subject of the report require a Data Protection Impact Assessment (DPIA) to be carried out.	No
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Other Background Documents

Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	None