



# Mandatory concessionary fares scheme in Wales

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CLILC • WLGA

## **INTRODUCTION**

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, the three national park authorities and the three fire and rescue authorities.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. The WLGA is a politically led cross-party organisation, with the leaders from all local authorities determining policy through the Executive Board and the wider WLGA Council. The WLGA also appoints senior members as Spokespersons and Deputy Spokespersons to provide a national lead on policy matters on behalf of local government.
4. The WLGA works closely with and is often advised by professional advisors and professional associations from local government, however, the WLGA is the representative body for local government and provides the collective, political voice of local government in Wales.
5. The WLGA welcomes the opportunity to respond to the consultation on the mandatory concessionary fares scheme in Wales. Responses to each of the questions in the consultation document are set out below.

**Q1. Do you think that the Welsh Government should become the Travel Concession Authority for the administration of the All Wales Mandatory Concessionary Bus Travel Scheme in Wales, or should the functions remain with the local authorities?**

6. As it stands, the legal requirement under the Transport Act 2000 is for travel concession authorities (i.e. local authorities) in Wales to issue concessionary travel passes to eligible applicants. Local authorities are responsible for assessing and determining eligibility.
7. Some of the tasks that have to be undertaken in discharging this responsibility are straightforward and could be administered at an all-Wales level. However, there are also some tasks that are more complex and require face-to-face contact and individual discussion. This can involve sensitive issues, including assessments (e.g. regarding disability and over the need for 'companions' to assist on journeys). These are matters

that, arguably, are better dealt with at a more personal, localised level.

8. At present local authorities are paid £3 per live pass per annum which provides an important source of income. This income is used to administer the scheme but can also contribute towards other costs of supporting local bus services. One of the incentives for centralising administration may be to realise savings in administrative costs. However, it is important to avoid a situation whereby the routine (cheaper) elements of administration are undertaken at the all-Wales level but the more complex (and expensive) activities still have to be undertaken locally but with a reduced income stream that does not cover costs and undermines local capacity to support bus services.
9. Another complication relates to the fact that local authorities currently contribute around £10.5m towards the cost of the concessionary fares scheme. This funding is not evenly spread but reflects expenditure by certain local authorities on schemes they had introduced before the Welsh Government funded scheme commenced. A number of authorities have raised the issue of unequitable contributions and have requested a fundamental look at the overall funding arrangements for the scheme. Any move to centralise administration of the scheme would have to find a way of resolving this situation.

**Q2. Do you think that the eligibility age for older people who are new applicants to receive free bus travel should be increased to match the UK state retirement age in Wales, or be maintained at age 60 for men and for women?**

10. Having promoted 60 as the age of eligibility for a free bus pass, a level of expectation has been created which now makes it difficult to change. There are social and environmental benefits from encouraging use of public transport and countervailing costs associated with individuals deciding either not to travel or to travel by car. Missed medical appointments, loss of social contact and exercise and increased congestion are just some of the potential downsides of postponing eligibility – all with associated costs elsewhere from a 'whole system' perspective.
11. Having said that, WLGA recognises that, with an ageing population, a fixed eligibility age will result in escalating costs. This, in turn, will reduce the amount of funding available to meet other needs. Therefore, the key question is not whether it is *desirable* to maintain eligibility at age 60 but whether we can *afford* to. Increasing the age to match the rising state retirement age has a logic especially if the original intention was to offer assistance to people who had reached retirement age. A

balanced judgement is therefore needed. If considered affordable in light of competing priorities and all costs and benefits, keeping the age of eligibility at 60 would avoid what could be seen as a 'backward step'.

**Q3. Do you think that the Welsh Government should maintain the entitlement for disabled people meeting the criteria to be issued with a free travel pass?**

12. Yes, this should be maintained.

**Q4. Do you think that the Welsh Government should allow more than one companion to travel with a disabled concessionary pass holder where more than one companion is needed to make travel by bus possible?**

13. No. One companion is generally sufficient for someone requiring assistance and the number of cases where more than one is needed is felt to be relatively small. A consistent approach is valuable. Once exceptions are allowed it becomes difficult to manage.

**Q5. Do you think that veterans meeting certain requirements should continue to receive a mandatory concessionary free bus travel pass at no cost?**

14. Yes, this should continue. The consultation document refers to the 'War Veterans Compensation Scheme'. We do not recognise this term and assume it is a reference to the War Disablement Pension (WDP) and/or the Armed Forces Compensation Scheme (AFCS).
15. It is not clear if the reference to 'meeting certain requirements' relates to those with mobility problems. The AFCS carries tariff levels for any illness or injury, not just related to mobility. AFCS clients who have mobility impinging conditions of a severe nature also get Armed Forces Independence Payment (AFIP). The AFIP award could be used as evidence if mobility is to be the determining criterion. Likewise, WDP also has a specific mobility element – the War Pensions Mobility Supplement (WPMS) - which can be used to secure a blue badge.

**Q6. Do you think that free bus travel should be extended to volunteers who volunteer for at least 30 hours a week?**

16. No. This would be difficult to verify and would be very expensive to administer, not least because of definitional difficulties and because the position could be constantly changing.

**Q7. Do you think that bus travel using a concessionary bus pass should allow free travel only during off-peak times, or should the ability to travel at any time be maintained?**

17. There is a significant difference between rural and urban areas in relation to this question. For some people living in rural areas with limited services, denial of peak time access may severely constrain or even eliminate opportunities for using their concessionary bus pass. The experience of the use of restrictions on train journeys is not positive and suggests any such change would create confusion. On longer journeys, passengers on the same bus might be treated differently depending on the time the bus arrives at their particular stop. Peak time restrictions also have the potential to create delays at pick up points, with drivers having to explain the position and deal with passenger reactions. For all these reasons, the ability to travel at any time should be maintained.

**Q8. Do you think that the Welsh Government should introduce an application fee to be paid by some applicants if the fee is limited to the cost recovery for receiving, processing, issuing and auditing passes?**

18. The introduction of a fee might be acceptable if the income it generates (i) helps to sustain the concession at age 60 in the face of an ageing population and (ii) any surplus arising is re-invested in bus services. The fee is likely to deter those who apply for the pass but then never use it, helping to reduce unnecessary administration costs. Such a change would have to be subject to an equality impact assessment, though, which *may* highlight issues about a disproportionate impact on low income households.

**Q9. If an application fee is introduced for a free bus travel pass, should it be paid by:**

- a. Older people**
- b. Disabled people**
- c. Injured service veterans, or**
- d. None of the above?**

19. If a fee *is* introduced, it should be applied equally to all.

**Should the Welsh Government explore the extension of free concessionary bus travel scheme to other modes of local transport services?**

20. Any extension of coverage would result in additional costs so it would have to be clear how these would be met. It would also be important to avoid a situation whereby a free pass made available for a local transport service simply results in increased competition and loss of passengers on an existing bus service.
21. However, there may be other instances where limited experimentation *is* appropriate – for example to increase passenger numbers to a point where a commercial service is viable in the longer term. There are some community rail initiatives where this may apply, for example, although there would be an accompanying need for clear management arrangements and an open book approach to verify passenger numbers/usage figures etc.

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**For further information please contact:**

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