



## **Cabinet Member for Improved Customer Services**

**Decision to be taken by**

**Ward: All**

**Key Decision: Yes/No**

### **Charges for Senior Railcards**

#### **Report by the Executive Head of Customer Services**

##### **1.0 Summary**

- 1.1 This report outlines the proposal to be considered by the Cabinet Member for Improved Customer Services following the recent price increase of the Senior Railcard concession imposed by the Association of Train Operating Companies, with effect from 17<sup>th</sup> May 2009.
- 1.2 The Cabinet Member is requested to consider the proposal detailed in section six.

##### **2.0 Background**

- 2.1 The Concessionary Bus Travel Act 2007 provides that everyone aged 60 and over and disabled people will get free off peak travel on all local buses anywhere in England from April 2008. The existing statutory entitlement allows these groups to travel for free, but only on buses within their local authority area.
- 2.2 Adur District Council has operated an alternative option to the 'Free Bus Pass' travel concession by way of a subsidised Senior Railcard since 2001. This can be granted to residents of 60 years or over for Standard and First Class rail fares throughout Great Britain for a maximum period of 12 months.
- 2.3 With effect from 17<sup>th</sup> May 2009 the Association of Train Operating Companies has unexpectedly increased the price of the Railcard from £24.00 to £26.00. Of the current cost the customer pays £9.00 and Adur District Council contributes the remaining £15.00.
- 2.4 Currently 445 railcard holders are in circulation and these will be invited to reapply during 2009/10. In addition it is estimated that a further 20 new applications will be made in the same period, increasing the total to 465.
- 2.5 Adur District Council also offers Taxi Concession vouchers which are considered as a £15.00 'gift'. Customers cannot apply for rail/bus concessions if this offer is taken up. No increase for this concession is necessary.

### 3.0 Proposal

- 3.1 It is proposed that Adur District Council subsidise the additional £2.00 per card as there is sufficient budget to do so from existing resources, promoting a considerate approach in the difficult financial climate. In addition, this would alleviate the problem of some recipients paying £9.00 in 2009/10 whilst others would be required to pay a higher fee of £11.00.

### 4.0 Legal

- 4.1 The Concessionary Bus Travel Act 2007 provides that everyone aged 60 and over in England, and disabled people in England, will get free off peak travel on all local buses anywhere in England from April 2008. The existing statutory entitlement allows these groups to travel for free, but only on buses within their local authority area;

*'Enables local authorities to continue to be able to offer benefits above the statutory entitlement to their residents, such as travel before 9:30am and concessions on other modes like trams, as well as alternative forms of travel scheme, like tokens for use on taxis or community transport.'*

### 5.0 Financial implications

- 5.1 The budget allocation for 2008/2009 was £14,000 which is offset by the contribution from users (£7,000) giving a net budget of £7,000. The budget has remained static for 2009/10 and is likely to remain the same for 2010/11. During 2008/2009 463 customers applied for a Railcard and contributed £9.00 each.

- 5.2 It should be noted that Rail orders do not have an expiry date and there are a number of existing 'older orders' yet to have been presented by customers. Some customers will in fact never redeem the order.

### 5.3 Budgets

The budget for rail passes in 2008/9 was under spent as detailed below. The projected spend for 2009/10 takes account of the £2 increase per card and still anticipates a minor under spend. In 2010/11 usage is expected to be 400 as more holders opt for other forms of concession.

| Year    | Railcards Issued<br>(* = Estimated) | Budget Allocation (net) | Spend<br>(* = Estimated) | Balance<br>(* = Estimated) |
|---------|-------------------------------------|-------------------------|--------------------------|----------------------------|
| 2008/09 | 410                                 | £7,000                  | £5,333                   | £1,667-                    |
| 2009/10 | 400*                                | £7,000                  | £6,504*                  | £496-*                     |
| 2010/11 | 400*                                | £7,000                  | £6,800*                  | £200-*                     |

## **6.0 Recommendation**

**The cabinet member is recommended to approve that the rail subsidy per pass be increased by £2.00.**

### **Background Papers:**

Concessionary Bus Travel Act 2007

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## **Schedule of other matters**

(To be completed on all reports. If no issues are identified under a heading then it should read "Matter considered and no issues identified." )

### **1.0 Council Priority**

- 1.1 The adoption of the chosen proposal will contribute toward the following priorities that are identified in the [draft] Corporate Plan 2009 to 2012:
- Aim 1(a): to provide high-quality, efficient, cost effective, customer-focused and accessible services

### **2.0 Specific Action Plans**

- 2.1 Matter considered and no issues identified

### **3.0 Sustainability Issues**

- 3.1 It is seen that the Council's encouragement of public, rather than private transport would contribute towards sustainability objectives.

### **4.0 Equality Issues**

- 4.1 Matter considered and no issues identified

### **5.0 Community Safety issues (Section 17)**

- 5.1 Matter considered and no issues identified

### **6.0 Human Rights Issues**

- 6.1 Matter considered and no issues identified

### **7.0 Reputation**

- 7.1 The proposals are recommended to bring Adur District Council in line with other local Authorities and to bring consistency to the process.

### **8.0 Consultations**

- 8.1 Matter considered and no issues identified

### **9.0 Risk assessment**

- 9.1 Matter considered and no issues identified

### **10.0 Health & Safety Issues**

- 10.1 Matter considered and no issues identified

### **11.0 Procurement Strategy**

- 11.1 Matter considered and no issues identified.

### **12.0 Partnership working**

- 12.1 References to the Adur/Worthing Partnership are made in the report.