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BUS SERVICES POLICY DISCUSSION

Consultation outcome report

Mandatory Concessionary Fares – maintaining free bus travel for older people, disabled people and some injured service veterans

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

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The views and opinions expressed in this consultation outcome summary report are those expressed by stakeholders responding to the consultation, not the views of the Welsh Government.

Headlines

- Between the 10 October 2017 and 12 January 2018, the Welsh Government received 456 unique responses to the consultation questions
- A small majority or 40% of the responses we received said that the Welsh Government should take over responsibility for the scheme, but 36% said that responsibility should remain with local authorities
- 54% argued that the current age of eligibility for free bus travel (aged 60 and over) should be retained
- Of the 406 respondents expressing a preference, 98% supported maintaining the eligibility of disabled people to travel by bus free of charge. 75% agreed that more than one companion should be permitted when required
- Of the 392 respondents expressing a preference, 91% agreed with the Welsh Government approach allowing some injured service veterans free bus travel
- Of the 371 respondents who expressed a preference, 52% agreed that free bus travel should be extended to people who volunteer in the community
- Of 403 respondents who expressed a preference on this question, 95% argued that maintaining travel at any time of day was an important feature of the current scheme that should be retained.
- 50% of respondents expressing a preference agreed that an application fee could be introduced, of whom 78% said that all people who are eligible for the concession should pay the application fee, whilst 14% said that older people should pay, 4% said disabled people and 3% said injured service veterans.

- Of the 394 respondents who expressed a preference, 84% agreed that that the Welsh Government should explore extending free travel to other modes of local public transport

Background

In our consultation document published on 10 October 2017 about our mandatory concessionary fares scheme, we highlighted that the Welsh Government was the first Government in the United Kingdom to introduce universal free bus travel for older and disabled people, with the aim of radically improving access to key services and facilities. We also set out the reason for the consultation, and some key facts about the scheme in Wales and its operation.

The Welsh Government's free bus travel scheme makes a valuable contribution to improving the health and wellbeing of older people in Wales, enabling more people to remain active for longer, and so promotes independent living. Keeping physically active helps to maintain mental wellbeing, mobility and muscle strength in older people and reduces their risk of cardiovascular disease, falls and fractures. In this way, the scheme is also helping to reduce demand on health services

Our programme for government *Taking Wales Forward* and national strategy *Prosperity for All* outline the headline commitments we will deliver between now and 2021 to make real improvements in the every-day lives of people in Wales. The focus is on driving improvement in the Welsh economy and public services, delivering a Wales which is prosperous and secure, healthy and active, ambitious and learning, united and connected.

Taking Wales Forward highlights the complexity of the challenges that we face and the importance of working across traditional boundaries to deliver our priorities while *Prosperity for All* places these in a long term context and sets out how we will connect the different services we deliver to maximise our impact in these four areas.

The Welsh Government has continued to support free bus travel anywhere within Wales where eligible scheduled bus services operate for people aged 60 and above, disabled people and veterans. Maintaining access to free bus travel for these groups remains the policy objective of the Welsh Government, but an increasingly ageing and active population requires that careful consideration is given to whether continuation of the scheme is financially viable and sustainable into the future.

Older adults who participate in any amount of physical activity gain some health benefits, including maintenance of good physical and cognitive function. Some physical activity is better than none, and more physical activity provides greater health benefits.

The Welsh Government funds the cost of retaining and analysing the data collected on mandatory concessionary fare usage, which is held by a third party on behalf of all 22 local authorities. Information gathered on pass usage suggests that around two thirds of passes issued each year are being used, with the rest retained “just in case” they are required.

More than 750,000 passes have been issued and during 2015-16, a total of some 35,000 passes were issued to people meeting the eligibility criteria for the first time, with a further 25,000 or so passes being issued as replacements. A total of almost 9,000 passes were identified as no longer being required.

Over the next 20 years, the percentage people aged over 65 in Wales is set to increase from around 20% to around 25% of the entire population. The population aged over 75 in Wales is also projected to increase from 9% of the population in 2014 to around 13% in 2030. On this basis, if the current age of eligibility for free bus travel is maintained at 60 years of age, it is expected the number of older people eligible for free bus travel by 2021 will be about 880,000 people, rising to a little more than a million people by 2030.

Disability Wales estimates that disabled people make up more than 20% of the population in Wales, which has a higher proportion of disabled people than other nations and regions of the UK. The registers of people with physical or sensory disabilities maintained by local authorities include all persons registered under Section 18 of the Social Services and Well-being (Wales) Act 2014.

Registration is voluntary and figures may therefore be an underestimate of the numbers of people with physical or sensory disabilities. But as at 31 March 2016, there were 14,729 people on registers of people with learning disabilities, of whom 12,692 (86%) were living in community placements and 2,037 (14%) were in residential establishments. There were 75,753 people on registers of people with physical or sensory disabilities. Of these, 46,235 (61%) were registered as having a physical disability only.

About 55,000 passes have been issued to disabled people across Wales, with a further 21,000 disabled and companion passes issued. A further 2,000 passes have been issued to blind people and people with loss of sight. Whilst passes issued to passengers who are disabled accounts for about 10% of passes issued, the proportion of journeys undertaken by disabled people and disabled people with a companion accounts for 25% of the total number of free bus journeys made in Wales.

It was on this basis that we sought views on how best access to free bus travel in Wales can be maintained into the future, or whether some level of financial contribution should be made by passengers towards the cost of maintaining the scheme in the future.

How we consulted

The consultation document was published to the Welsh Government's consultation internet site on 10 October 2017 following an announcement made by Ken Skates AM, the Cabinet Secretary for Economy and Transport in the National Assembly for Wales earlier that day. The document was issued electronically to bus operators providing local bus services in Wales, local authorities, community groups and associations representing older people, disabled people and other groups, together with Age Cymru, the Older Persons' Commissioner and other stakeholder groups.

Officials attended discussion groups hosted by a number of Third sector and community groups around Wales, including sessions in Merthyr, Bridgend, Newport, Pontypool and Llangefni to discuss the issues set out in the consultation document. A number of local bus operators encouraged their passengers to take part in the consultation by placing advertisements on their vehicles, explaining how people could submit their responses.

Between the 10 October 2017 and 12 January 2018, the Welsh Government received 456 unique responses to the consultation questions. 142 of these responses, representing 31% of all responses received were submitted by royal mail or by hand at events.

About 100 of the responses were from older people claiming not to be connected to the internet. A total of 222 passenger responses were received electronically, representing about 48.6% of all responses received in the period. As shown below in figure 1, by far, the largest numbers of responses were made by older passengers mainly beneficiaries of the current free bus travel scheme in Wales, account for 70% of the total number of responses submitted.

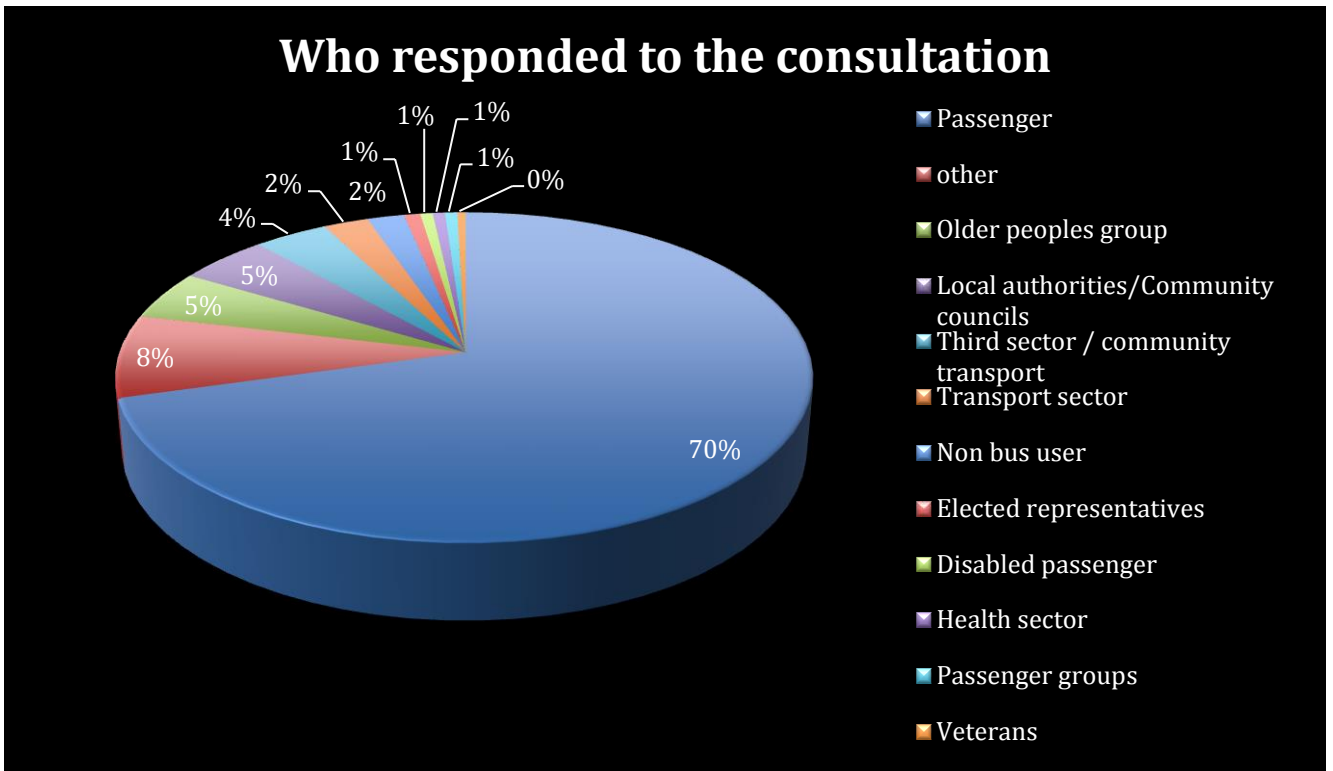


Figure 1 – Breakdown of the number of people and organisations that responded to the consultation.

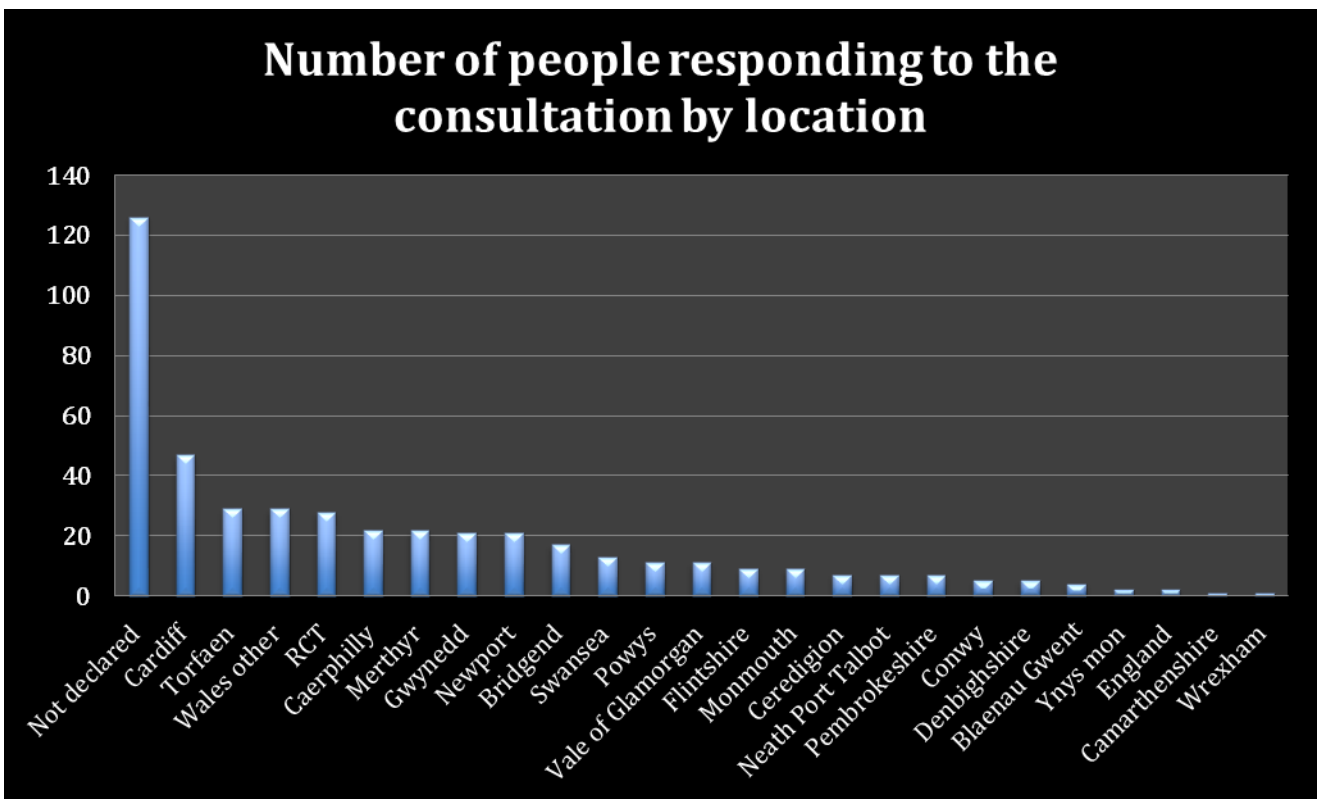


Figure 2 - Number of responses received by location

Of the people and organisations who responded to the consultation, 126 or about 27% did not disclose their location. Of the remaining 330 respondents who did declare their location, the largest number of responses were received from Cardiff and neighbouring local authorities in south east Wales. Fewer responses were received from mid, west and north Wales, with the exception of Gwynedd, the sixth highest response rate. Only one response was recorded for Wrexham and Carmarthenshire, whilst fewer than 10 responses were received from Flintshire; Monmouth; Ceredigion; Neath Port Talbot; Pembrokeshire; Conwy; Denbighshire; Blaenau Gwent; and Ynys Mon. A full breakdown of the responses received by location is illustrated at figure 2 above.

Outcome from the consultation

Travel Concession Authority

In our consultation document, we explained that it is local authorities that are the Travel Concession Authority for the mandatory concessionary fare scheme enabling older and disabled people, and certain veterans to travel at no cost on local bus services. Whilst some funding is made available by local authorities to support the scheme, most of the funding is provided by the Welsh Government. Currently, the funding made available by the Welsh Government is in the region of some £59m¹ annually towards reimbursement. A further £3 per live (rather than “active”) pass issued under the scheme is paid to local authorities, about £2.2m annually, to meet their costs in administering the scheme.

It is the responsibility of local authorities in Wales to ensure that bus operators should be financially no better or worse off as a result of providing mandatory travel concessions, by adopting a standard method for determining the total number of journeys made by those entitled to the concessions, the fares values to be attributed to those journeys and for calculations to be reviewed. Under the current arrangements, the Welsh Government’s role is more limited. Other than making the Regulations that govern the operation of the scheme and the additional funding provided to local authorities to make payments to bus operators, it is to the Welsh Ministers that operators appeal if they believe that they may be prejudicially affected by local authorities’ reimbursement arrangements (i.e. those who think that a local authority is under-reimbursing them).

¹ £59m is made available to local authorities to meet the cost of the all Wales scheme whilst £10.5m for concessionary bus travel reflecting local authorities’ own concessionary bus travel schemes prior to establishment of the all Wales scheme.

So in our consultation, we asked whether people thought 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?

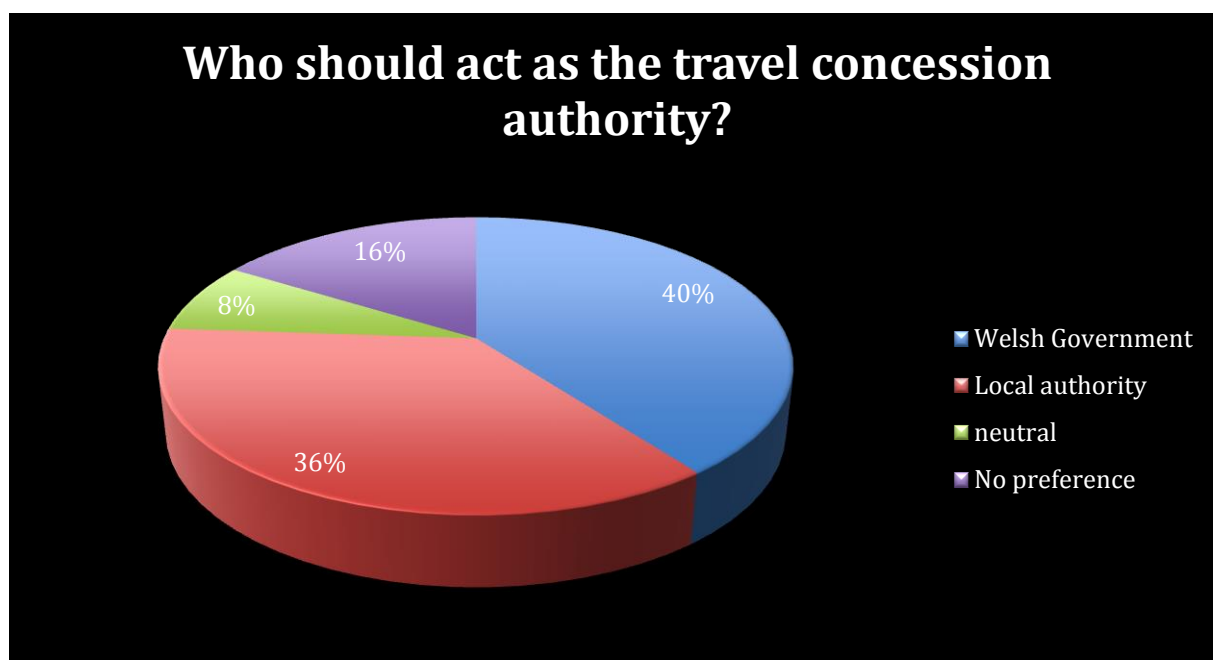


Figure 3 – who should act as the Travel Concession Authority for the all Wales Scheme

A small majority or 40% of the responses we received said that the Welsh Government should take over responsibility for the scheme. Some said that not only would this provide an opportunity to reduce the costs associated with administering the scheme, it would improve consistency when decisions are being taken when a disabled pass, or a companion disabled pass has been requested for example. A criticism made of the current approach is that local authorities interpret the guidance issued by the Welsh Government differently. This leads to inconsistency and a disabled person in one area may be granted a companion assisted bus pass, which could be declined in similar circumstances in another local authority area.

Some respondents who agreed that the Welsh Government should directly control the scheme however, said that this should take place only if the savings highlighted in the consultation document could be achieved, and the current standards of service provided by local authorities be maintained. One of the key criticisms of the proposal expressed by most of the 36% of respondents who did not support the change, claimed or feared that centralisation of the administration of the scheme would result in passengers not being able to visit a local office to be able to apply for their pass, organise a replacement pass or speak to an official based locally to deal with any other issue that might arise.

Some respondents expressing a preference that the responsibility should remain with local authorities told us that the local authority is best placed to administer the scheme and currently provide an excellent level of service to pass holders.

In our consultation, we asked whether people thought that the eligibility age for older people who are new applicants to receive free bus travel should be increased to match the UK state pension age in Wales, or be maintained at age 60 for men and for women?

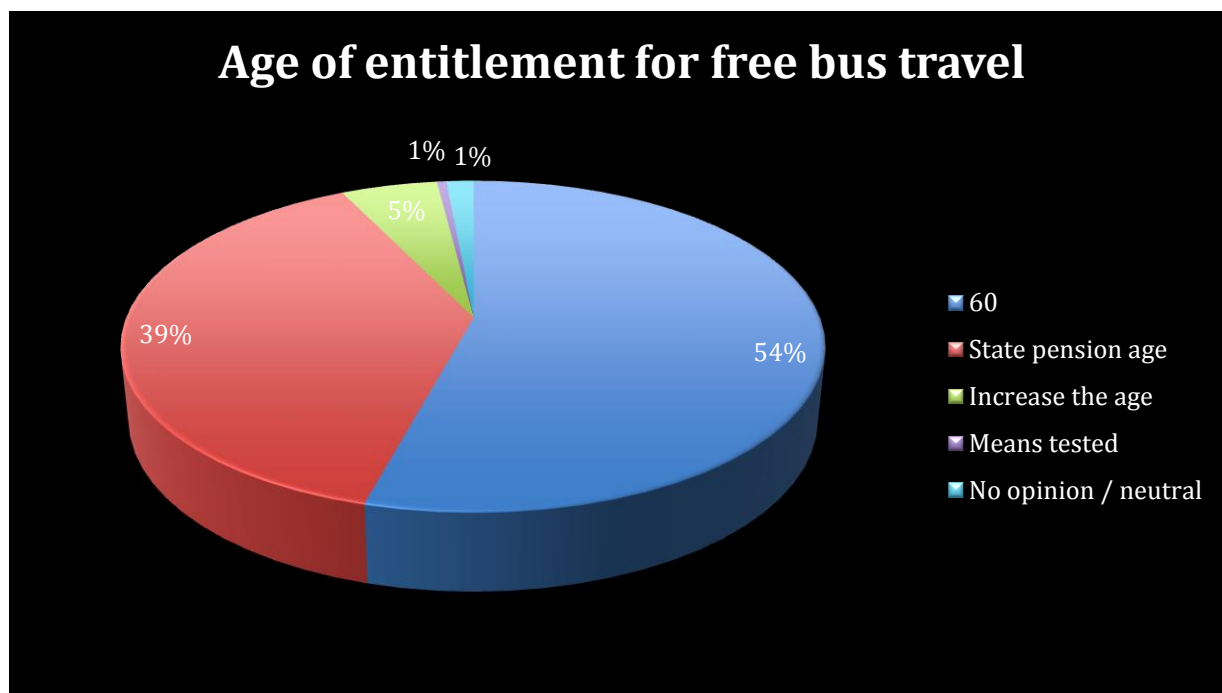


Figure 4 – respondents expressing a preference about the age of eligibility

Of the 402 respondents who expressed a preference on this question, 54% argued that the current age of eligibility, that is ladies and gentlemen aged sixty and over, should be retained. Respondents acknowledged that since the current eligibility age was established, the UK state pension age has increased and more people are now working beyond their sixtieth birthday. But many argued that at a time when the UK and Welsh Government is taking action to encourage people to abandon the use of the private motor vehicle in favour of public transport to reduce congestion and harmful emissions into the environment, removing free bus travel from working age adults will simply increase the number of vehicles on our roads.

One respondent living in the Vale of Glamorgan echoing the sentiment expressed by people in favour of retaining the current age of entitlement told us

“I will be 60 in February 2018 and wish to register my objection to any raising of the eligible age to the bus pass. I plan to use public transport more regularly, and quite possibly sell my car when I have my pass - which I understood to be the rationale for the granting of the concession. Most of the buses that pass my home are empty, surely we want people on them?”

A few respondents suggested that the age of eligibility for free bus travel that should be maintained at 60, could be reduced to perhaps 55 years of age to further encourage people to use public transport and so ease traffic congestion.

A few people suggested that eligibility for people aged between 60 and the UK state pension age should be means tested.

About 5% of respondents expressing a preference did recognise that the an increasingly ageing population would require the age of entitlement to be increased, with a further 39% agreeing that the age of entitlement should be increased in line with the UK state pension age. In accepting that there could be a case for increasing the age of eligibility, some respondents said that the change should not be applied retrospectively so that people currently able to travel for free should be able to continue to do so, whilst others urged that any change. If applied, should be implemented gradually and applied equally to ladies and gentlemen.

One passenger told us

“I think it would be very sad if Concessionary fares were ended. As a bus user I see many older people using the bus who would probably not be able to get out and about if they had to pay bus fares. However, I do support the raising of the age at which the bus pass is given to tie in with the age at which the old age pension is granted as I feel people in full time work should pay bus fares. I would hope this would only apply to those who are not already in receipt of the bus pass”

In our consultation, we asked whether people thought that the Welsh Government should maintain the entitlement for disabled people meeting the criteria to be issued with a free travel pass?

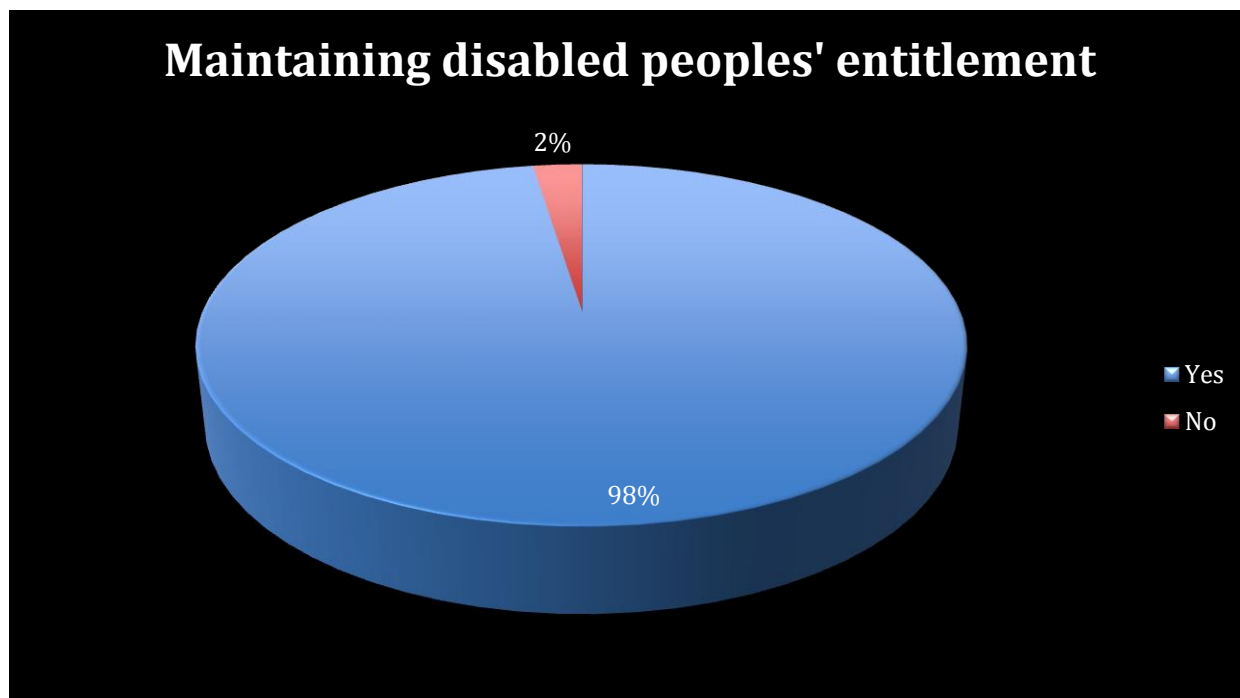


Figure 5 – respondents expressing a preference about the disabled eligibility

Of the 406 respondents expressing a preference, 98% supported maintaining the eligibility of disabled people to travel by bus free of charge. In our consultation, we also asked whether people thought 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?

Of the 399 respondents commenting on this question, 75% agreed that where appropriate, more than one companion should be able to travel with a disabled passenger. This was particularly important for disabled passengers who have been assessed as having complex needs following a multi-disciplinary objective personal centered assessment and resulting community treatment by local social services.

Whilst a majority of respondents agreed that the limitation to one travelling companion should be removed where there is an identified requirement, some suggested that no more than two companions should be permitted. It was suggested that in cases where more than two companions were required to access local bus services, then an alternative to scheduled bus travel would most likely be more appropriate to meet travel needs.

In our consultation, we asked whether people thought that veterans meeting certain requirements should continue to receive a mandatory concessionary free bus travel pass at no cost? We explained that the Welsh Government has recognised that our armed forces community is an integral part of Welsh society and we are committed to ensuring that public services in Wales take full account of their needs. In recognition of the debt of gratitude which we owe to members of the forces, past and present, it is also right that we should sometimes offer them an enhanced service. On this basis and when considering how the mandatory concessionary fare schemes will be maintained in Wales in the future, our intention is that veterans eligible for free bus travel in Wales will continue to receive their free bus travel pass at no cost.

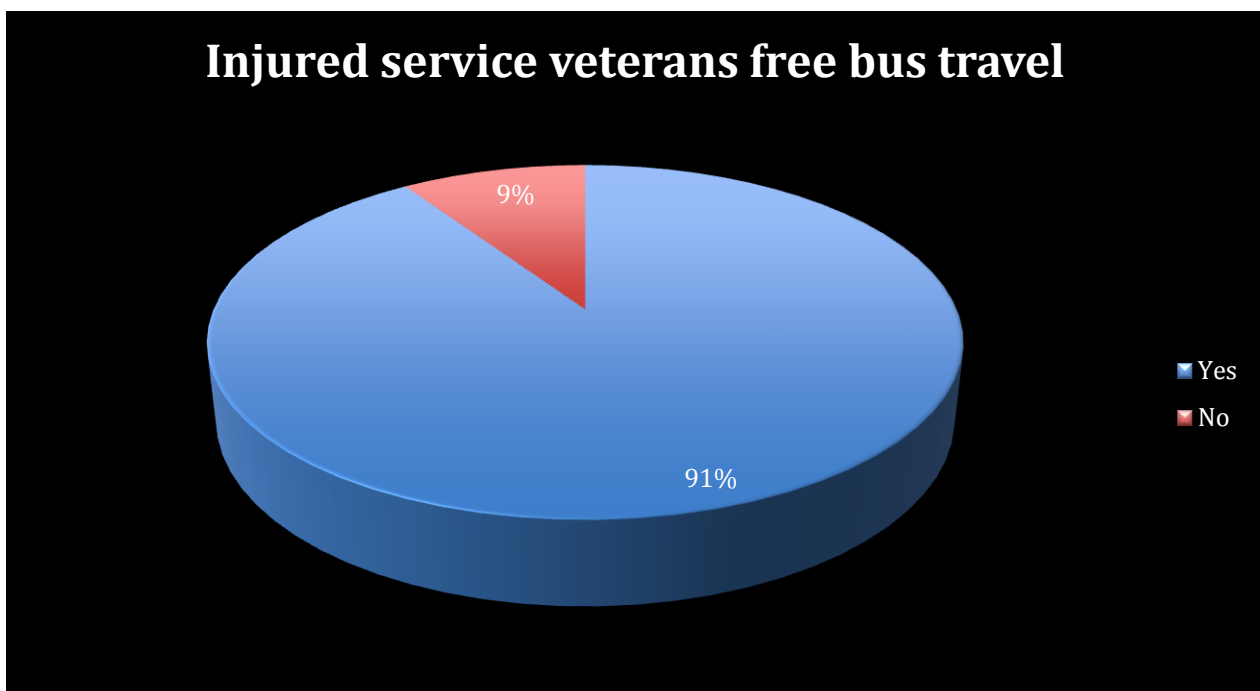


Figure 6 – respondents expressing a preference about the eligibility for some injured service veterans

Of the 392 respondents expressing a preference, 91% agreed with the Welsh Government approach. Some respondents who did not agree suggested that free bus travel should be available only for veterans meeting the criteria for one of the other eligibility categories, older people or disabled.

In our consultation, we asked whether people thought that free bus travel should be extended to volunteers who volunteer for at least 30 hours a week?

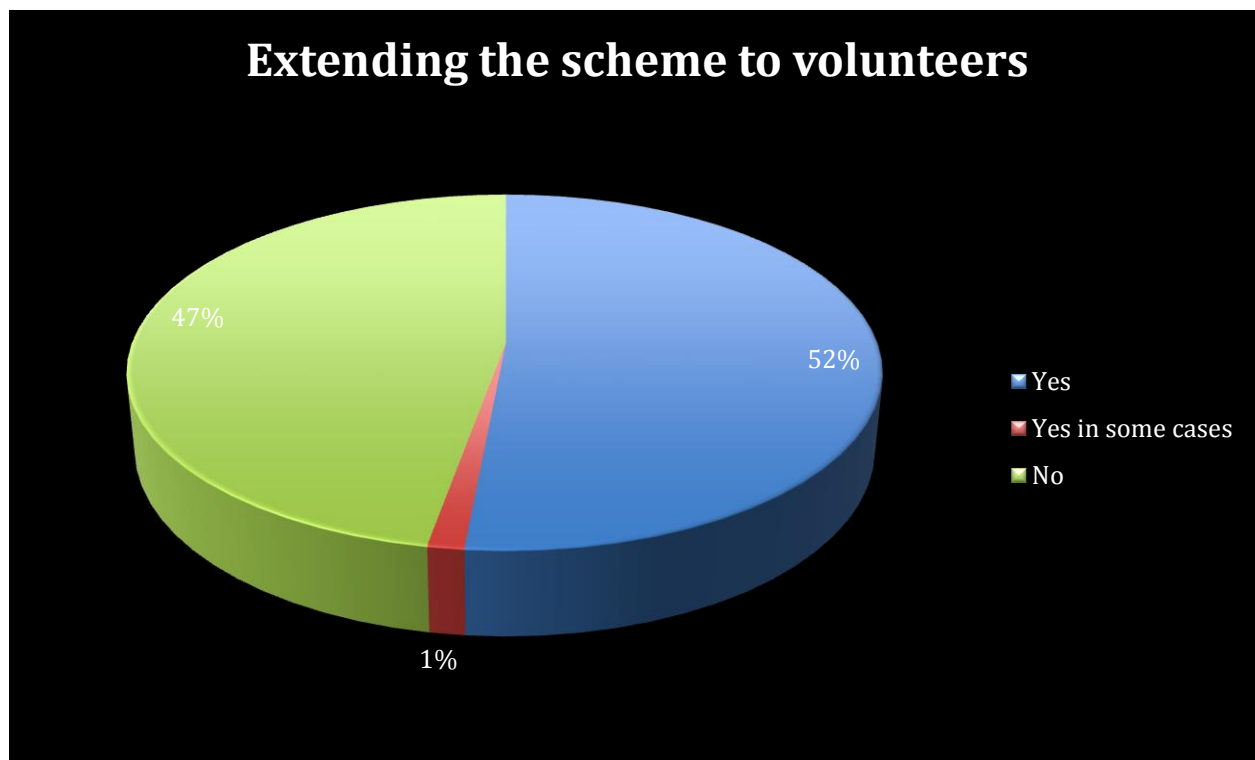


Figure 7 – respondents expressing a preference about the eligibility for people volunteering for more than 30 hours per week

Of the 371 respondents who expressed a preference, 52% agreed that free bus travel should be extended to people who volunteer in the community, especially for people who volunteer in the social care sector. Three respondents suggested that if the scheme is extended, it should provide discounted travel and not free travel. 47% of respondents did not agree with the proposal, suggesting that extending free bus travel to volunteers would be expensive and difficult to administer given the nature of volunteering and monitoring entitlement.

One respondent said

“This is potentially a very high cost concept, whose total cost could be virtually unlimited. It would be very difficult to organise and enforce. How would reliable evidence be gathered as to who volunteered, for how long and how ‘volunteering’ should be defined? Would eligibility be limited to travel in connection with carrying out voluntary duties, or cover all the individuals’ trips?”

Some respondents told us that some volunteering schemes meet reasonable travelling costs, so extending entitlement through this statutory scheme would not be necessary or appropriate.

In our consultation, we asked whether people thought 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?

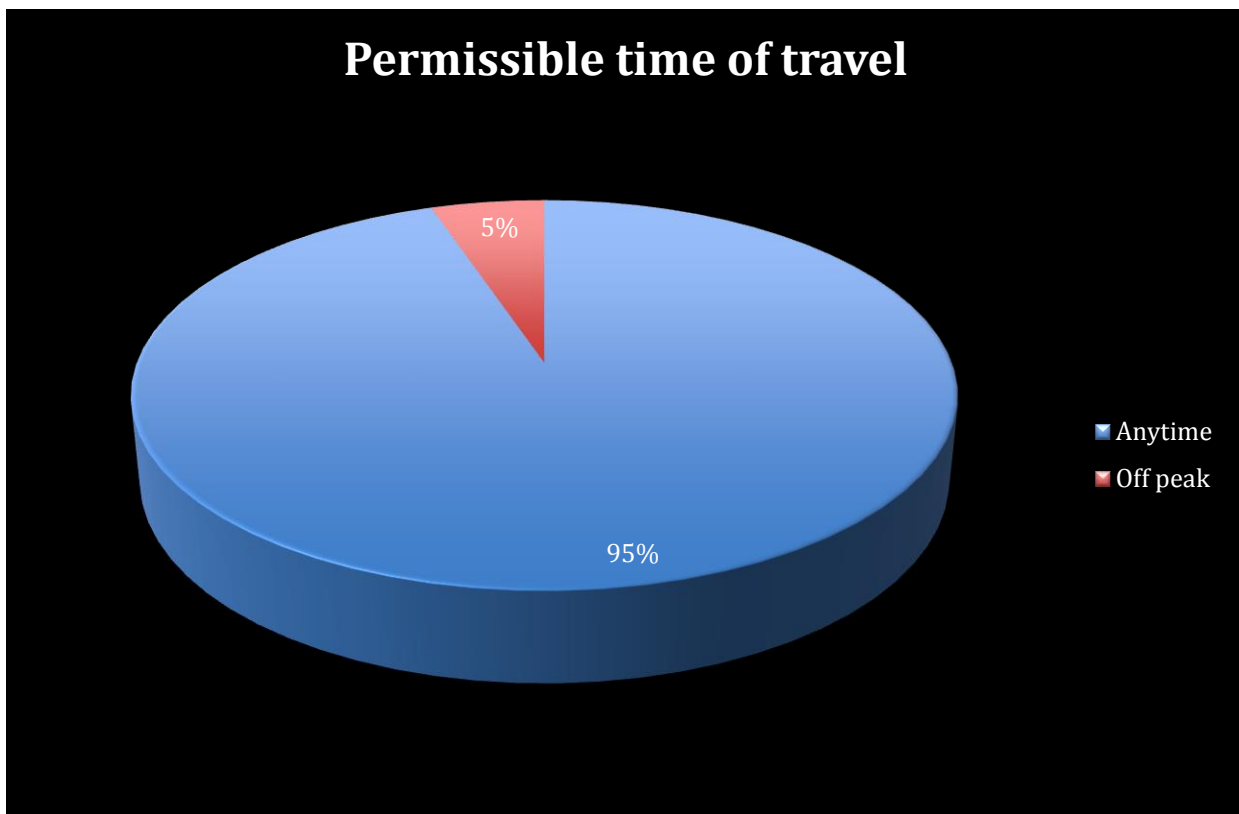


Figure 8 – respondents expressing a preference about the time of free bus travel

Of 403 respondents who expressed a preference on this question, 95% argued that maintaining travel at any time of day was an important feature of the current scheme that should be retained.

Most older people told us that using local bus services to attend appointments at GP practices, health care centres and hospitals often meant that they needed to travel at peak time because of the time of the appointment. More importantly, older people told us that the maintaining the ability to travel at anytime of day at no cost on local bus services was a vital initiative in tackling loneliness and isolation for many older people who otherwise would be not be able to travel, because of the cost of using public transport or no longer being able to drive.

For people aged 60 years and older but who continued to work, being able to use the bus at no cost had encouraged them to abandon their private cars for their daily commute to work, thus reducing congestion and harmful emissions into the environment.

Respondents in rural areas suggested that restricting travel to off peak times would render the scheme meaningless in some areas where local bus services are operated only at peak time. One respondent living in north east Wales told us

“I live in a rural area and many buses only run during the peak times. Others often only have a single journey in between. This would make essential travel for medical reasons, appointments and visits to friends and relatives in hospital difficult. I recently spent some time in England and the buses before and after the Peak Periods were extremely crowded. Those in the peak periods were empty. This completely messed up the timetable. More passengers mean more stops and make the journey slower. This makes the afternoon peak time services unreliable”

Some respondents also pointed out that older people sometimes use local bus services to travel at peak time to support working families with their child minding.

“Some pensioners travel at these times to look after grandchildren when parents are in work and in many areas, especially the rural ones, buses are fairly empty at peak times, so it would be counter-productive”

The confederation of Passenger Transport in Wales also made representations about limiting travel to off peak periods. They told us

“It is not appropriate to introduce additional restrictions as the distinction between the peak and off peak service loadings is not consistently significant and varies by geographical location and by school/college term or holiday. Introducing a time restriction is likely to transfer some pass holders off bus and into using the car if they are in employment. It is also likely to increase bus stop dwell times due to platform disputes at changeover times when the pass becomes valid/invalid, thereby increasing bus service operating costs and reducing the attractiveness of services to fare paying passengers”

Some respondents did support restricting travelling time to off peak travel only. Of the 5% supporting the restriction, one person said that if this restriction on the time of travel was introduced, it should not apply to disabled passengers.

In our consultation, we asked whether people thought 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?

During the consultation, it became apparent that whilst local authorities do not impose an application fee for applying for the free bus pass, fees are imposed for replacement passes required because of loss or damage. People told us that fees from £5 have been levied by local authorities, and in some cases, this fee has reportedly been £15, although this higher figure has not been independently verified.

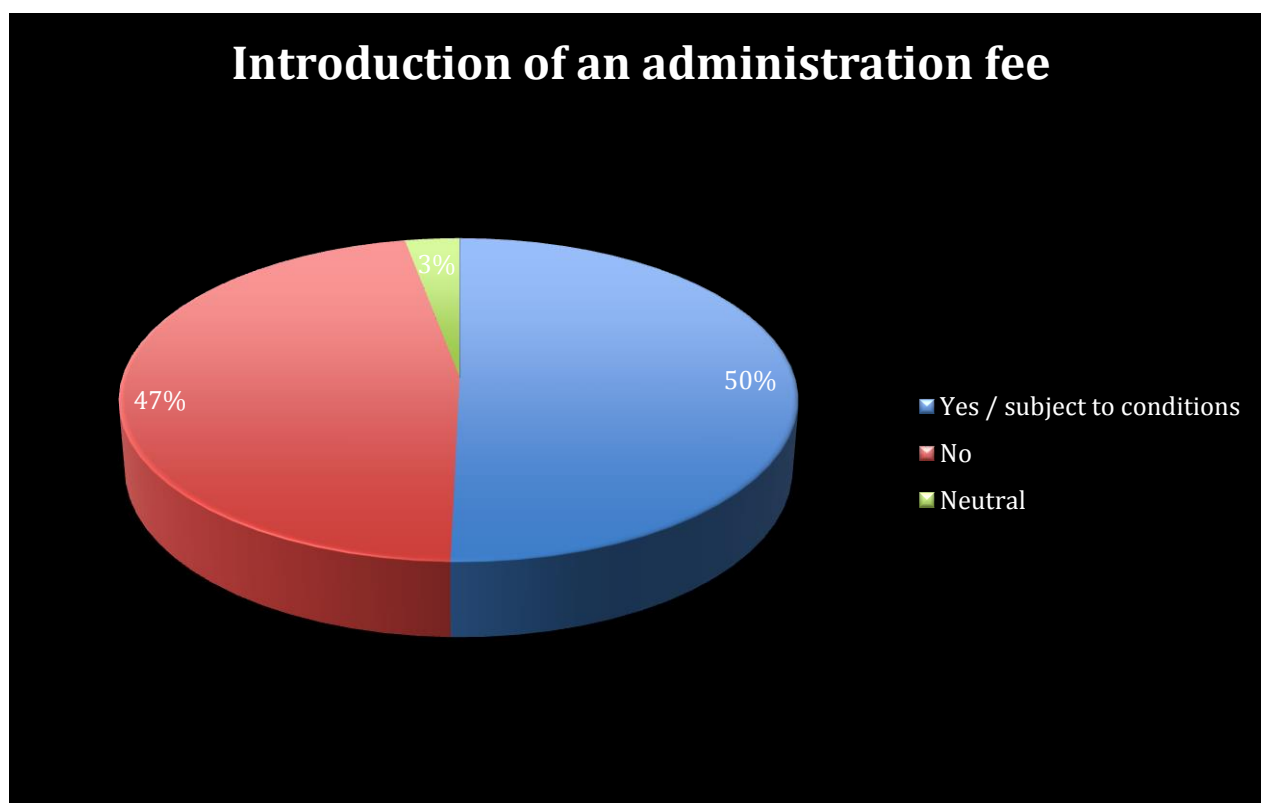


Figure 9 – respondents expressing a view whether an application fee for a pass should be introduced.

Of the 405 respondents who expressed a preference, 50% said that they would not object to a fee being required on application for a free bus pass. Whilst one respondent suggested that an application fee of £20 would not be unreasonable, most people suggesting an amount to which any fee should be capped suggested £5 or £10. Some respondents suggested that

people with only limited resources available to them, such as some older people who are reliant on the UK state pension for example, should continue to be exempt from any administrative or application fees on the grounds that introducing a fee can create a barrier to accessing free bus travel and all the benefits the scheme brings to tackling isolation and loneliness. A small number of respondents agreeing that an administration fee could be introduced suggested it should be limited to applications to replace lost or damaged cards only.

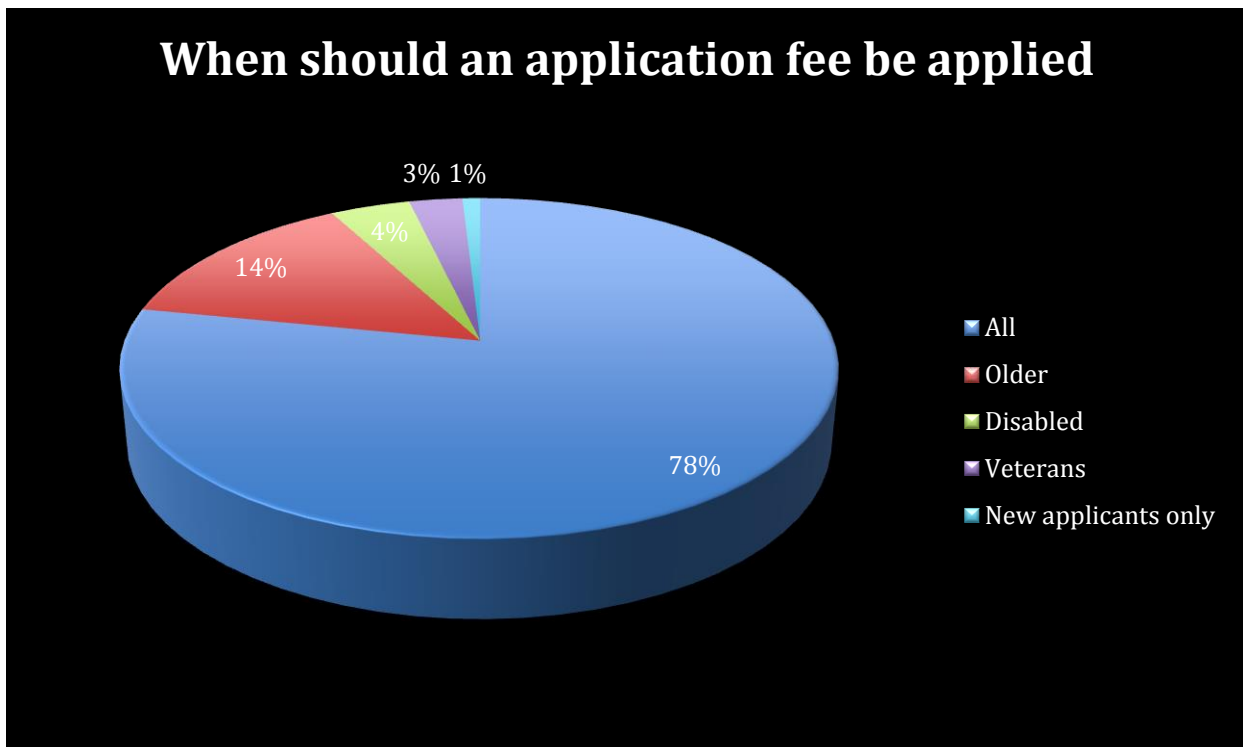


Figure 10 – if introduced, who should pay the fee?

As illustrated in figure 10 above, respondents that agreed that an application fee could be introduced, 78% said that all people who are eligible for the concession should pay the application fee, whilst 14% said that older people should pay, 4% said disabled people and 3% said injured service veterans.

Just under half of the respondents expressing a preference adopted the contrary view, arguing that imposing an application fee would discourage people from applying for their free bus pass. This had the potential to disadvantage people most in need of free bus travel who would not then be able to access the service. It was argued that this had the potential for causing great harm to many elderly and disabled people in the future.

One respondent not in favour of additional charges being imposed pointed out that

“Fees are already charged (It cost me £20 to get a GP’s signature on your form). An application fee is already charged both by the NHS for completion of the form and also a fee is charged by the Council for lost or subsequent re-issues for other reasons. By its nature it’s concessionary, why charge more”

In our consultation, we asked whether people thought the Welsh Government explore the extension of free concessionary bus travel scheme be to other modes of local transport services?

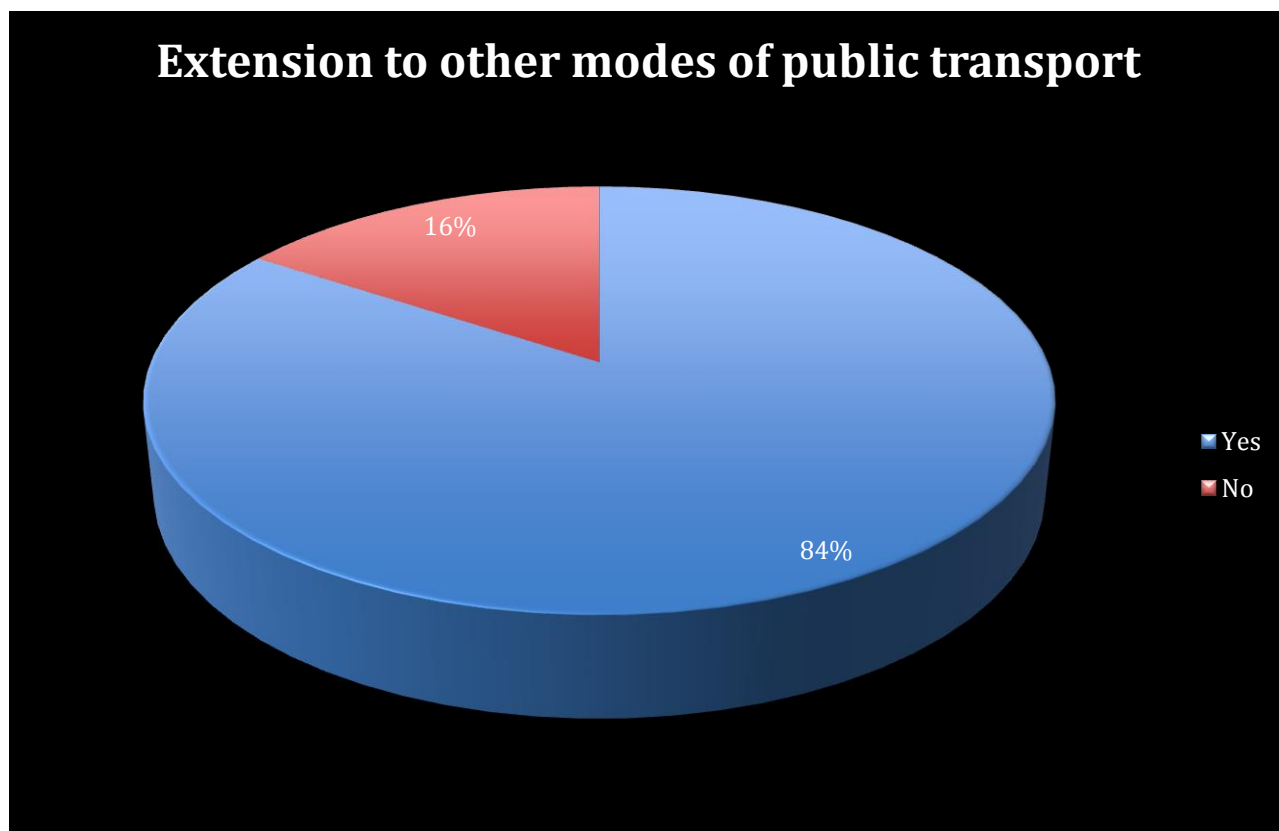


Figure 11– extension to other modes of public transport

Of the 394 respondents who expressed a preference, 84% agreed that that the Welsh Government should explore extending free travel to other modes of local public transport, 16% suggested that this would not be appropriate, mainly on the grounds that an extension to other modes of transport would increase the cost of operating the scheme.

Respondents to the consultation living in rural mid and north Wales pointed out that pass holders are able to travel for free at certain times during the year on the Wales and Borders Rail Franchise. Subject to conditions, pass holders can travel on rail services for free on the Heart of Wales, Cambrian and Conwy Valley Lines, and discounted fares are available on some services on the Cardiff Valleys Lines. Maintaining or extending this scheme was suggested by a number of respondents.

People also suggested that the Welsh Government consider extending the scheme to community transport providers, operating under section 19² permits, recognising that some scheduled bus services that are provided under section 22 community transport permits are eligible for payments through the scheme. A small number of respondents in rural areas did express some concern that whilst eligible for free bus travel, the lack of a local bus service meant that many people were not able to avail themselves of the benefit the scheme offered. It was suggested therefore that the Welsh Government consider extending the scheme so that some people are able to use taxis or private hire cars on a limited basis to meet their transport needs that are socially necessary.

General comments

A significant majority of the 456 unique responses submitted during the consultation highlighted the value beneficiaries place on the mandatory concessionary fares scheme in Wales, hoping that the current generous scheme will be extended to include free bus travel at any time in England also. Most highlighted the value of the scheme in tackling loneliness and isolation and supporting people to attend medical appointments and other leisure activities. Helping people to “go to town” helps support the local high street it has been claimed with respondents warning the Welsh Government that changes to restrict the scheme could lead to unintended consequences.

One respondent captured the sentiments expressed by many others about the value of the current scheme (edited to remove some financial estimates but the key paragraphs are presented as written).

² Section 19 of the Transport Act 1985 – allows operators of community transport to provide services for hire or reward without the need for a Public Service Vehicle Operators Licence

“I respond as someone who received a bus pass in June 2017. I have used it frequently. Clearly, I am not impartial on this issue, and that should be borne in mind when reading my responses. I don't have a lot to add to the arguments put in the consultation document, which states the advantages of the bus pass scheme very well.

Before I get on to the questions, I'll add a few anecdotal points. The health benefits are as stated, but I would add that the bus pass brings more shops within range. This makes possible a more varied diet, which could also have health benefits. The membership of the city chess club has increased in recent years after declining in the 1980s and 1990s. Word is that it is bus passes which have tipped the balance. The consultation document mentions the advantages of old people keeping mentally active; there are also advantages for other members (as a facility remains viable when it might otherwise have closed) and for our hosts (we meet in a pub, and they sell us beer). I expect that other clubs and societies would say the same.

Weather permitting, I go for a daily walk, walking as far as I choose and returning on the bus. The health and quality-of-life benefits of this are already mentioned in the consultation document. I also post on social media photographs of the more attractive places I get to. I don't know whether or not this makes any contribution to the South Wales tourism industry - if more people did it, I imagine that it would.

It seems to me to be likely that the proportion of short journeys has been underestimated. I have often seen buses used for hill-climbing, e.g. from the centre of Newport to the top of Stow Hill, or from Bettws Shopping Centre to the top of Bettws Hill. When I get older, I expect that I'll do the same myself”

Next steps

Taken together with the outcome of the bus summit held in January 2017 and subsequent workshops attended by the bus industry and local authorities in Wales, the consultation exercise on reforming the planning and delivery of local bus services in Wales that ended on 31 May 2017, the representations received as part of this public consultation will be further assessed and developed into detailed proposals for local public transport scheduled for further public consultation later in 2018.

In the meantime, the Welsh Government has made a commitment that no changes will be made to current mandatory concessionary fares scheme without a further consultation on how proposed reforms will be implemented.

Any questions about the contents of this summary outcome report, or the proposed reforms for the planning and delivery of local public transport may be addressed to

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