

Report to: Transport Committee

Date: 15th May 2020

Subject: **Fare Deal For Under 19s**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	

1. Purpose of this report

- 1.1. The meeting of the Transport Committee on 13 March 2020 endorsed the development of a 'Fare Deal for Young People' and agreed that a revised Concessionary Travel Scheme be presented for consideration by Transport Committee in May 2020.
- 1.2. Unfortunately, due to the COVID-19 pandemic, the focus of both the bus operators and the Combined Authority shifted to more immediate matters. As a result it is not possible to present a revised Concessionary Travel Scheme to this meeting. However work has continued and this report sets out the progress made since the March Transport Committee meeting and identifies the next steps.

2. Background

A Fare Deal for Young People

- 2.1. A "Fare Deal for Young People" is a key output from the West Yorkshire Bus Alliance. It involves an amendment to the formal Concessionary Travel Scheme and a commitment by the Combined Authority, bus operators and the West Yorkshire Ticketing Company. The Transport Committee endorsed the following components of the Fare Deal:

- **Simple fares for under 19s** – a simplified single fare system and a “go anywhere” day ticket so that young people know how much it costs to take the bus
- **Savings for regular travellers** – discounts for young people buying weekly and monthly tickets
- **Welcoming young people** – drivers will only ask for proof of age where the customer looks older than 19
- **Discounts for 19-25 year olds** - cheaper weekly and monthly tickets for anyone under 25

2.2. It will be necessary to keep the above under review to ensure they are the correct provisions for the post COVID 19 environment.

A revised Concessionary Travel Scheme

- 2.3. Local bus service provision outside London is operated in a de-regulated environment across the UK meaning that fares are set by individual companies. Whilst the Combined Authority cannot set fares, it can identify those fares and ticketing products which are eligible for reimbursement under the Concessionary Travel Scheme.
- 2.4. In setting the 2020/21 budget, the Combined Authority has maintained the budget for young people’s concessionary travel at the level of 2019/20 on the basis that a strategy is implemented to increase bus travel amongst under 19s at no additional cost to the Combined Authority
- 2.5. The current Concessionary Travel Scheme provides for half the adult fares for the journey travelled. It is proposed to amend this to require a simplified structure. Whilst the Scheme cannot mandate fares, it can set the conditions under which operators would receive reimbursement.
- 2.6. The aim of this Scheme is to create an affordable fare which encourages additional journeys without causing a significant loss of income to the bus system. Discussions with bus operators are in progress to arrive at a simplified single fare structure with a maximum fare of £1.20. Whilst this will reduce the fare for longer distance passengers care is needed to minimise the impact on those currently paying less than £1.20. Different price points below £1.20 are being modelled and an Equality Impact Assessment is being carried out.
- 2.7. The impact of COVID-19 on the public transport network and industry has been significant, as it has been for young people. Measures which make travel for young people simple and easy to understand will, if anything, be even more important as the bus network adapts to a new post pandemic environment. It is therefore planned to prepare a scheme for introduction at an appropriate point later in 2020.

3. Progress to date and next steps

Equality Impact Assessment

- 3.1. The research and intelligence work required to inform the Equality Impact Assessment is well under way. Bus operators have supported the Combined Authority in the provision of the number of fares paid at various price points at a bus depot level. Analysis of this data is helping to identify any specific areas where there might be young people who would not benefit from the revised Scheme proposed.
- 3.2. Coupled with the Research and Intelligence work, and to strengthen the Equality Impact Assessment, the Combined Authority is running an online consultation to capture the views of young people on the specific proposals outlined. The consultation opened on 23 April and will close on 31 May 2020.
- 3.3. Table A below sets out a revised timescale .

Table A

	Timescale advised to March Committee	Revised Provisional Timescale
Relaxation of proof of age	April 2020	At start of lifting “lockdown”
Revised Concessionary Fares Scheme presented to Transport Committee for approval	May 2020	July 2020
New Scheme published	May 2020	July / August 2020
MCard app launched	June 2020	August 2020
New fare structure implementation	July 2020	On resumption of full school attendance provisionally September 2020

- 3.4. *Proof of age* – Bus operators had commenced work in instructing their operational staff concerning the relaxation around proof of age in March. Renewed efforts to ensure that both operational staff and young people are aware of the new arrangements will follow when young people start travelling again as “lockdown” restrictions are lifted.
- 3.5. *MCard app launch* – as previously reported development work is underway on a barcode ticketing app for all customers which would have particular advantages to facilitating travel for under 19s. The development work has only been moderately delayed by Covid-19. However, plans for undertaking user acceptance testing have been delayed by the travel restrictions. The timescales proposed at Table A assume that it is possible to undertake the user acceptance testing as it would not be desirable, nor acceptable to launch a new app without testing.

- 3.6. A delay to the introduction of the new app would not, necessarily, delay the launch of a new Concessionary Travel Scheme. It would, however, delay the accurate collection of data necessary to ensure revised payments to operators from April 2021
- 3.7. *Revised Concessionary Travel Scheme to Transport Committee* - Subject to the wider impacts of Covid-19, it is proposed to finalise the Equality Impact Assessment and complete agreements with bus operators on a new fare structure during May/ June. It is planned to recommend a new Concessionary Travel Scheme to the July meeting of the Transport Committee for implementation during summer / autumn.
- 3.8. Recognising that this is a key measure to regain confidence in using local bus services, however, in a scenario where the timescales do not match with those required for presenting a report to the July Transport Committee, it is requested that a final decision on the revised Scheme be made by the Chair and Directors in consultation with members of the Committee in accordance with the emergency delegations approved by the Committee on 13 March.
- 3.9. *New fare structure implementation* – notwithstanding the uncertainties which prevail at present, it is planned to implement the new fares in time for the new academic year in September 2020.

3. Clean Growth Implications

- 3.1 The report identifies the work to improve the accessibility to the West Yorkshire bus network for young people. An improved ticketing offer to customers will increase bus patronage, reducing the need for car journeys for young people to access, education, amenities and employment opportunities.

4. Financial Implications

- 4.1 The 2020/21 revenue budget approved by the Combined Authority on 6 February 2020 includes provision of £9.567 million for young people's concessionary fares of which £9.24 million is for bus travel. The proposals in this report will not result in any additional costs to those included in the budget.

5. Legal Implications

- 5.1 The Combined Authority is able to operate a concessionary travel scheme to discount the cost of local bus travel for young people through the powers granted to it through the Transport Act 1985 and the well-being power under section 2 of the Local Government Act 2000.
- 5.2 The Terms of Reference for Transport Committee authorise the Committee to make decisions with regard to its role as a Travel Concession Authority This report proposes a revision of the formal scheme documentation to reflect the revised fares and reimbursement provisions set out in this report.

5.3 All commercial decisions concerning pricing in response to the introduction of the Scheme are taken by the bus operators or the West Yorkshire Ticketing Company Limited (owners of the 'MCard' suite of tickets).

6. Staffing Implications

6.1 There are no staffing implications directly arising from this report.

7. External Consultees

7.1. The following parties have been consulted:

- Local bus operators
- The West Yorkshire Ticketing Company
- The report to 13 March Committee set out the consultation with young people to date. A subsequent on line consultation was in progress at the time of writing

8. Recommendations

8.1 That the Committee endorses the progress made on a Fare Deal and the revised timescales set out in this report.

8.2 That a further report be presented to the July 2020 meeting of the Transport Committee recommending the adoption a revised Concessionary Travel Scheme.

8.3 That, in the event that the Covid 19 situation necessitates a change in the programme set out in this report or in the meeting schedule for the Committee, that the adoption a revised Concessionary Travel Scheme be considered under the delegated arrangements approved by the 13 March Committee.

9. Background Documents

None

10. Appendices

None