



SUPPLEMENTARY AGENDA

CABINET MEMBER FOR TRAFFIC & TRANSPORTATION

THURSDAY 24 FEBRUARY 2022 AT 4PM

COUNCIL CHAMBER - THE GUILDHALL

Telephone enquiries to Democratic Services 02392 834060

Email: democratic@portsmouthcc.gov.uk

Membership

Councillor Lynne Stagg (Cabinet Member)

Councillor Simon Bosher

Councillor Graham Heaney

(NB This supplementary agenda should be retained for future reference with the main agenda and minutes of this meeting).

SUPPLEMENTARY AGENDA

5 Concessionary Fares Scheme Reimbursement to Bus Operators 2022/23
(Pages 3 - 18)

The enclosed report originally marked on the agenda to follow was published on 18 February 2022 and the integrated impact assessment on 21 February 2022.

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Title of meeting: Traffic & Transportation Cabinet Member Decision Meeting

Date of meeting: 24th February 2022

Subject: Concessionary Fares Scheme Reimbursement to Bus Operators

Report by: Tristan Samuels, Director Regeneration

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 This report outlines the recommendation for the reimbursement to bus operators for travel made using Concessionary Bus Passes in 2022/23 following an update in Department for Transport guidance.

2. Recommendations

It is recommended that the Cabinet Member for Traffic and Transportation:

- 2.1 **Notes the contents of this report;**
- 2.2 **In line with Department for Transport (DfT) guidance, provide reimbursement to bus operators from 1 April 2022 in line with table in 4.3 until the percentage in the table equals the actual level of concessionary journeys and then reimburse on the basis of actual journeys taken;**
- 2.3 **In line with DfT guidance where operators are currently running less than 90% of pre COVID mileage, as in Portsmouth, keep reimbursement unchanged until the percentage in the table at 4.3 equals the actual mileage operated;**
- 2.4 **Delegates authority to the Cabinet Member for Traffic and Transportation in conjunction with the Director of Regeneration and the S151 Officer, to make any necessary changes within the allocated budget.**

3. Background

- 3.1 Portsmouth City Council administers the English National Concessionary Travel Scheme for residents of the city under the terms of the Concessionary Travel Act 2007, and the Mandatory Travel Concession (England) Regulations 2011. The scheme allows eligible pass holders free off-peak travel on local buses. Bus operators are normally reimbursed on a 'no better no worse' basis for the loss of revenue forgone for the journeys made. This is calculated by using the average adult fare and specific additional costs incurred and because these can change an updated scheme is required to be published annually. During the pandemic, in line with DfT guidance, a different basis for reimbursement has applied and this is about to change as set out in this paper. The scheme follows the terms of the Act and Department for Transport guidance and is managed on behalf of the Council by specialist consultants contracted by the authority.
- 3.2 The DfT issued new guidance to local authorities on 29 October 2021 with revised reimbursement arrangements on a tapered or transitional basis for 2022/23. This recommends that from April, reimbursement changes from the percentage of scheduled mileage against pre COVID to a percentage of pre COVID concessionary travel payments and reduces by 5% every second month until the figure is in line with actual concessionary travel usage. Where bus operators are already operating less than 90% of pre COVID mileage, current reimbursement levels should continue until the reduced figure becomes equal to the actual mileage operated and then reduce in line with the scale until it equals actual concessionary fare pass usage.
- 3.3 For the current year (2021-22), the City Council has made concessionary fares payments in line with the percentage of service mileage operated against pre COVID-19 levels in line with government guidance that Local Transport Authorities and operators by agreeing funding, routes and service levels between themselves are also essentially defining what pre-Covid levels mean locally.
- 3.4 In addition to this, the government provided COVID-19 Bus Services Support Grant (CBSSG) to 31 August 2021 and Bus Recovery Grant (BRG) from 1st September paid direct to bus operators for the loss in commercial passenger revenue in 2021/22. At this stage there are no plans to continue with BRG after 5th April 2022.

4 Reimbursement for 2022/23

- 4.1 The guidance from the DfT is that from 6 April 2022, the Concessionary Travel Recovery Period will begin, and DfT asks those authorities providing reimbursement at 100% reduce this to 90% of pre-Covid levels. Authorities should gradually decrease their reimbursement payments to bus operators by 5% every second month until these payments equate with actual concessionary pass use. The concessionary fares scheme in Portsmouth starts on the 1st April each year so the revision to the reimbursement will start on that date.

4.2 Currently Portsmouth City Council is reimbursing bus operators at the actual percentage of pre COVID mileage they operate. It is anticipated that the figure will reach the actual concessionary fare usage in quarter 3 of the year.

4.3 Under the current reimbursement Portsmouth City Council reimburses monthly with a reconciliation payment at the end of each quarter. In line with DfT guidance for 2022/23, the amounts paid each month will reduce every second month. The table below shows the recommended reimbursement which has been sent to bus operators who have not objected. There should be no cost impact to the Council or bus operators of doing this.

Quarter	% scale down of LTA pre-Covid concessionary payment
April – June 2022	90%
July – September 2022	80%
October – December 2022	75%
January – March 2023	65%

4.3 The most effective way of measuring this is the actual weekly mileage operated by bus operators, a figure which is already provided to the DfT by bus operators. This figure can then be presented as a percentage of the mileage operated pre-COVID, and the corresponding proportion of concessionary fare reimbursement paid accordingly.

5. Consultation

5.1 The Council has consulted through our consultants MCL with both First Bus and Stagecoach which together operate all local bus services in Portsmouth. No objection has been received to the phased reduction.

6. Reasons for recommendations

6.1 The Council are required to provide bus companies with 28 days' notice of the reimbursement arrangements and any change to the reimbursement levels.

6.2 Due to Portsmouth City Council proposing to change the reimbursement levels, in line with government guidance a decision needs to be taken at this Traffic & Transportation meeting.

6.3 That authority be delegated to the Cabinet Member for Traffic and Transportation in conjunction with the Director of Regeneration and S151 Officer, to make any changes to the level of reimbursement paid as operators if government guidance is revised.

7. Integrated Impact Assessment

- 7.1 An Integrated Impact Assessment (IIA) has been undertaken and is attached in Appendix A. The IIA has identified that there are no impacts on the level of service provided to users.

8. Legal Implications

- 8.1 The recommendations in this report are consistent with national (Department for Transport) Covid-19 Recovery Guidance on the funding of concessionary fares by Local Transport Authorities, which seeks to achieve a phased return to pre-pandemic funding principles over the coming financial year 2022 to 2023.
- 8.2 Given the national policy approach and the objective of that policy to support bus operators through the effects of the pandemic on their operations in a proportionate way, it is considered very unlikely that the arrangements would be held to be contrary to subsidy control rules but this aspect should be kept under review going forward in light of any change in circumstances.

9. Director of Finance comments

- 9.1 The Costs of the Concessionary fares scheme were funded from the Cash Limited budget pre-pandemic. The cost of the scheme could not be met from cash limited resources alone, so a subsidy funded by the Parking Reserve was also required. No specific grants are provided by the government to meet the cost of Concessionary reimbursement.
- 9.2 During the pandemic the City Council have continued to pay the Bus Operators at pre-pandemic levels funded as above despite the amount of actual concessionary trips being far lower than pre-pandemic levels. No additional specific grant was provided to the Council in respect of concessionary fares during the Covid crisis.
- 9.3 This new guidance represents a move away from this approach. The interpretation of the DfT guidance as set out in the recommendations in this report will be met within existing cash limited resources and will most likely require no support from the parking reserve in 2022/23, based on current forecast demand information.

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Signed by:

Appendices:
Appendix A - Integrated Impact Assessment

Background list of documents: Section 100D of the Local Government Act 1972

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/
rejected by on

.....
Signed by:

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Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

www.portsmouth.gov.uk

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
 - Communities and safety
 - Regeneration and culture
 - Environment and public space
 - Equality & - Diversity This can be found in Section A5

Directorate:

Regeneration

Service, function:

Transport Planning

Title of policy, service, function, project or strategy (new or old) :

Concessionary Fares Scheme Reimbursement to Bus Operators 2022/23

Type of policy, service, function, project or strategy:

- ☒ Existing
- ☐ New / proposed
- ☐ Changed

What is the aim of your policy, service, function, project or strategy?

Under the terms of the Concessionary Travel Act 2007, and the Mandatory Travel Concession (England) Regulations 2011, Portsmouth City Council administers the English National Concessionary Travel Scheme for residents of the city. The scheme comprises a pass allowing free travel on local buses for journeys starting within Portsmouth for eligible residents on grounds of age or disability. Bus

operators are reimbursed on a 'no better now worse' basis for the loss of revenue forgone according to the number of journeys made, the average adult fare and specific additional costs incurred. This follows the terms of the Act and Department for Transport guidance and managed on behalf of the Council by specialist consultants contracted by the authority.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

There has been consultation with the bus companies as outlined in the DfT guidance for the Concessionary Fares reimbursement.

A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

A1-Crime - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact Lisa.Wills@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

A2-Housing - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact Daniel.Young@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

A3-Health - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact Dominique.Letouze@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The provision of a Concessionary Fares allows residents that meet the entitlement criteria to have access to sustainable modes of travel, and provide access to essential services and facilities. enabling 'elderly and disabled people, especially those on low incomes, to continue to use public transport and to use it more often, improving their access to a range of basic necessities such as health care and shops and reducing social isolation. Achieving 'social inclusion benefits for older and disabled people by allowing greater freedom to travel, for free, by local bus.

How are you going to measure/check the impact of your proposal?

The transport team will monitor the number of journeys undertaken within the city along with concessionary passenger data numbers.

A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

A4-Income deprivation and poverty-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact Mark.Sage@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>

<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Concessionary travel allows older and disabled people (especially those on low incomes) improved access to services, facilities and social networks by 'free' scheduled bus services, and also promote social inclusion. Providing greater freedom to access shops, services and amenities, work, freedom to access healthcare and freedom to visit family and friends.

How are you going to measure/check the impact of your proposal?

Passenger numbers of concessions on the bus services within Portsmouth along with bus mileage in the city.

A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

A5-Equality & diversity - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact gina.perryman@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

B - Environment and climate change**Yes****No**

Is your policy/proposal relevant to the following questions?

B1-Carbon emissions - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact Tristan.thorn@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The funding of concessionary bus travel is more sustainable and less polluting than the private car. This scheme provides an alternative mode of transport to the private car for all who qualify, allowing eligible residents to travel for free.

How are you going to measure/check the impact of your proposal?

Concessionary passenger numbers on bus services within the city will be monitored along with mileage recorded from both bus operators.

B - Environment and climate change**Yes****No**

Is your policy/proposal relevant to the following questions?

B2-Energy use - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact Triston.thorn@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

B3 - Climate change mitigation and flooding-Will it proactively mitigate against a changing climate and flooding?

☐☒

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact Tristan.thorn@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

B4-Natural environment-Will it ensure public spaces are greener, more sustainable and well-maintained?

☐☒

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact Daniel.Young@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

B5-Air quality - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact Hayley.Trower@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Supporting travel by public transport, and in particular by bus with vehicles with Euro 6 emission levels, is less polluting than traveling in individual, privately owned cars. By reducing the amount of emissions from transportation in a dense urban areas like Portsmouth, public transportation can help to reduce emissions, to meet air quality standards, and to decrease the health risks of poor air quality for our residents.

How are you going to measure/check the impact of your proposal?

The Council monitor air quality across the city through a series of testing sites. These will continue to be monitored through the Air Quality Team.

B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

B6-Transport - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact Pam.Turton@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The provision of the Concessionary fare travel allows residents to make journeys by sustainable travel modes. More trips can be made without a car, fewer vehicles are on the road. This reduces the risk of traffic crashes and decreases greenhouse gas emissions and other types of air pollution.

How are you going to measure/check the impact of your proposal?

Passenger numbers on bus services will continue to be monitored to understand demand.

B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

B7-Waste management - Will it increase recycling and reduce the production of waste?

☐☒

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact Steven.Russell@portsmouthcc.gov.uk or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

C - Regeneration of our city

Yes

No

Is your policy/proposal relevant to the following questions?

C1-Culture and heritage - Will it promote, protect and enhance our culture and heritage?

☐☒

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact Claire.Looney@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

C - Regeneration of our city

Yes

No

Is your policy/proposal relevant to the following questions?

C2-Employment and opportunities - Will it promote the development of a skilled workforce?

☐☒

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact Mark.Pembleton@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

C3 - Economy - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

☐☒

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact Mark.Pembleton@portsmouthcc.gov.uk or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Q8 - Who was involved in the Integrated impact assessment?

Simon Bell

This IIA has been approved by:

Contact number:

Date: