



Welsh Government

Consultation Document

MANDATORY CONCESSIONARY FARES SCHEME IN WALES

Maintaining free bus travel for older people, disabled people and injured service veterans

Date of issue: 10 October 2017

Action required: Responses by 12 January 2018

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

OVERVIEW

The purpose of this consultation is to seek views on free bus travel for older people, disabled people and injured service veterans in Wales.

HOW TO RESPOND

The consultation period begins on 10 October 2017 and ends on 12 January 2018. Please ensure that your response reaches us before the required closing date.

The document is available on the internet at <http://gov.wales/consultations/?lang=en>

Please respond by:

- Completing the consultation response form at Annex A; or
- Emailing or posting your response to the contact details below.

FURTHER INFORMATION AND RELATED DOCUMENTS

Large print, Braille, audio CD and alternative language versions of this document can be made available on request.

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DATA PROTECTION

How the views and information you give us will be used

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tell us this in writing when you send your response. We will then blank them out.

Names or addresses we blank out might still get published later, although we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published.

The law however, also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

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MINISTERIAL FOREWORD

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.

As such, this Welsh Government remains committed to the principles that have underpinned the free bus travel scheme in Wales for more than a decade. To provide older and disabled people, and more recently some veterans, free bus travel anywhere in Wales on local scheduled bus services.



We remain proud of our free bus travel scheme that is more generous than schemes offered by local authorities in the other countries of the United Kingdom. As the scheme has been in existence for more than a decade, we need to consider very carefully how the scheme is operating and how we can make improvements to ensure that it continues to deliver sustainable benefits to the people of Wales well into the future. These considerations must be taken against the backdrop of an ageing population, increasing pressures on reducing public sector budgets and an uncertain economic future for our country as the UK leaves the European Union.

That is why I have started this public consultation. It builds on the public consultation I held earlier this year about how we can better plan and deliver local bus services, as part of an integrated public transport system well into the future. I am committed to ensuring that our scheme continues to meet the needs of the people of Wales, is affordable and continues to contribute to our goals of creating a united and connected society.

A handwritten signature in dark ink, appearing to read 'Ken', with a long, sweeping horizontal stroke above it.

Ken Skates AM/AC
Cabinet Secretary for Economy and Infrastructure

EXECUTIVE SUMMARY

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.

Free bus travel 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.

It is important that passengers can have confidence in the quality of services, and that standards are universally applied to local scheduled bus services across the whole of Wales. The quality of service delivered in the more rural parts of Wales should overall be no less favourable than those provided within the metro or more urbanised parts of the country, although recognising that urban and rural areas are likely to have some different priorities. Universal network coverage and improved service accessibility are essential requirements if people who are eligible for free bus travel in Wales are able to benefit from the scheme.

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 2030.¹ 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 880,000² 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 Wales³, 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 14,729⁴ 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 55,000⁵ 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.

On this basis, we are seeking 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 bus travel undertaken.

¹ Wales Government Future trend report published May 2017

² Estimates provided by stats Wales August 2017

³ Estimated by Disability Wales <http://www.disabilitywales.org/calls-for-action/>

⁴ Welsh Government statistical bulletin - annual report which includes information on people with a learning, physical and sensory disability.

⁵ Data on passes issued provided by ACT 2016-2017

INTRODUCTION

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.

Free bus travel 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. 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 benefits⁶.

The key objectives of the mandatory scheme for free bus travel in Wales have been to:

- Improve the access of older and disabled people, many of whom are on low and fixed incomes, to key services, facilities and social networks through free to use scheduled local bus services;
- Promote social inclusion and the maintenance of independent living;
- Improve health and wellbeing by promoting a more active lifestyle for older and disabled people; and
- Promote modal shift from private cars to public transport to reduce harmful emissions in the environment.

The free concessionary bus travel scheme was introduced in April 2002 for persons resident in Wales. At that time, it enabled disabled people meeting certain eligibility criteria, together with women aged 60 and over and men aged 65 and over to travel, free of charge, on any local bus service in Wales and on some cross border bus services not including onward travel using bus routes starting in England. In April 2003, the age of entitlement was standardised for women and men at age 60 and over. Disabled people meeting certain eligibility criteria are able to apply for a pass for free bus travel. These are identified in legislation as:

- People with sight loss.
- People who are “profoundly or severely” deaf.
- People who cannot speak.
- A person with an impairment or injury that has a substantial long term adverse effect on ability to walk.

⁶<http://www.nhs.uk/Livewell/fitness/Documents/older-adults-65-years.pdf>

- People without arms or the long-term loss of the use of both arms.
- People with a cognitive impairment.
- A condition such that if the person were to apply for a licence to drive a motor vehicle under Part III of the Road Traffic Act 1988, that application would be refused pursuant to section 92 of that Act (physical fitness) other than on the ground of persistent misuse of drugs or alcohol.

Disabled people who have been issued a pass because of their disability may ask their local authority to exchange their “standard” pass for a companion pass, on the understanding that a companion is necessary to assist the pass holder in making their bus journey. This pass enables free travel for one companion accompanying a disabled person, although it is not necessary for the pass holder to be accompanied by a companion on every journey because it is accepted that their condition(s) will vary.

The free bus travel scheme in Wales was further extended by the Welsh Government in 2011 to include seriously injured armed service personnel and seriously injured armed service veterans, subject to veterans meeting the eligibility criteria. Seriously injured armed service personnel or seriously injured armed service veterans in receipt of an award under tariffs 1-8 of the War Veterans Compensation Scheme or the Armed Forces Compensation Scheme are also able to apply for a pass.

All the criteria about applying for a Welsh concessionary bus pass can be found on our website under Public Transport at:

<http://gov.wales/topics/transport/public/concessionary/?lang=en>

Under the terms of the current scheme, passes may be used at any time of the day, on any service whenever services are operating. Wales’ pass holders are able to use cross-border services if, subject to certain criteria, their bus journey starts or ends in Wales.

This limited, free cross-border travel into and from England is permitted at local authorities’ discretion to allow those residents living on the Wales-England border to access key facilities such as doctors, dentists, post offices, and so on, that perhaps are not available within reasonable travelling distance in their own area. Pass holders are unable to transfer between bus services in England.

In early 2010 the Welsh Government confirmed that the age of eligibility for older people in Wales would not rise in line with changes to the State retirement age, as in England, but would remain at 60.

BUS JOURNEYS

Prior to the introduction of the mandatory concessionary bus fare scheme for older people, bus use in Wales had declined from 133m journeys in 1996-97 to 108m journeys in 2001-02. The introduction of the scheme resulted in a significant increase in the annual number of concessionary journeys undertaken and initially stemmed the decline in bus use in Wales. Since 2008-09 however, the decline in bus use has continued and now stands at an estimated 100m passenger journeys in 2015-16. A little less than half of all bus journeys undertaken currently are made by concessionary pass holders.

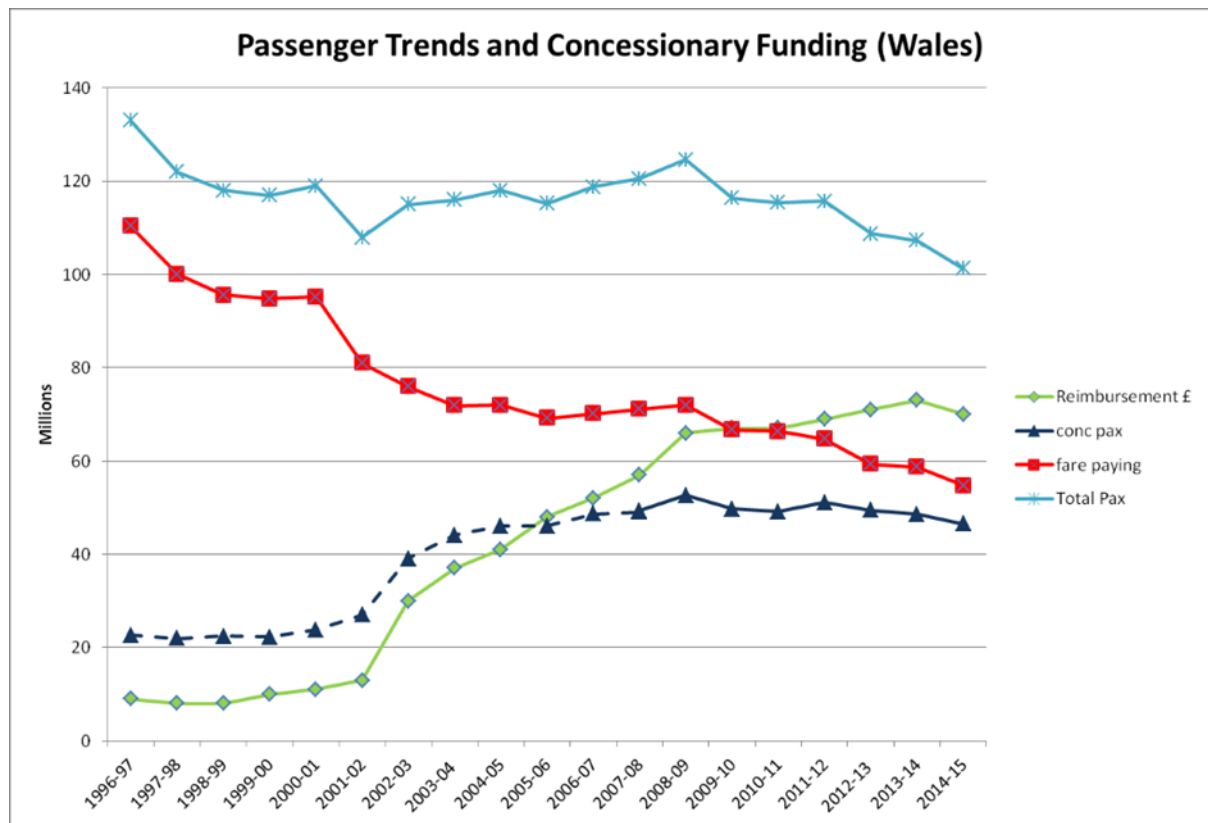


Fig 1 Relationship between bus journeys undertaken in Wales and concessionary fares usage

There a number of factors that contributed to this increase in journeys. The introduction of the all Wales scheme removed the need for a fee to be paid by applicants, resulting in an increase in the proportion of eligible persons applying for a free travel pass. The introduction of Smartcard technology in 2006 has revealed a significant number of passes that have been issued but are used infrequently or not at all.

A further factor that contributed to the increased applications for free travel passes and bus journeys, at least initially, was the introduction of the ability to travel anywhere in Wales at no cost to the pass holder. Previous local authority schemes had been limited to travel within local authority boundaries.

The universal availability of free bus travel is one of the key drivers attributed to increased bus journeys following the introduction of the all Wales scheme. The number of “live” passes in use in Wales has continued to increase, rising from 587,517 in 2007-08 to more than 750,000 as at August 2017⁷. In itself, this illustrates the continuing demand for free bus travel and the success of the scheme in stimulating demand amongst older people and disabled people. The number of concessionary bus journeys, as a proportion of all journeys is significantly higher in Wales when compared to England and Scotland.

	England	Scotland	Wales	GB	England exc.London
2007-08	32	32	41	32	32
2008-09	33	32	42	33	34
2009-10	34	34	43	34	36
2010-11	34	34	43	34	36
2011-12	34	34	44	35	36
2012-13	34	35	45	35	36
2013-14	34	36	45	34	36
2014-15	34	36	46	34	35

Fig 2 – concessionary fare journeys undertaken in Great Britain expressed as a % of all bus journeys undertaken

The number of journeys undertaken by each group of people to whom free bus travel passes are issued is set out below for 2016-2017.

When journeys are undertaken	Classification			
	Older people aged 60 and over	Disabled	Disabled plus companion	Veterans⁸
00:01 – 6:59	197,382	73,469	11,159	3,308
07:00 – 9:30 (peak)	3,830,149	1,007,029	390,153	44,383
09:31 – 15:59	24,659,812	5,048,095	2,383,639	253,860
16:00 – 18:30 (peak)	3,582,641	1,145,047	488,770	48,040
18:31 – 00:00	1,232,453	449,615	155,586	17,099
	33,502,437	7,723,255	3,429,307	366,690

Fig 3⁹ – concessionary fare journeys undertaken in Wales by group and time period between 1/4/2016 and 31/3/2017

In 2016/2017, the journeys undertaken by older people account for 74% of all journeys using free bus travel passes with 22% of those journeys undertaken between 07:00 and 09:30 and 16:00 and 18:30 (peak travel times).

⁷ Welsh Government data collected on Mandatory Concessionary fare passes issued by local authorities in Wales

⁸ Veterans eligible if in receipt of an award under tariffs 1-8 of the War Veterans Compensation Scheme or the Armed Forces Compensation Scheme.

⁹ Data provided by ACT for the period 2015/2016 and 2016/2017

The journeys undertaken by disabled people and disabled people with companions account for 25% of all pass holder journeys undertaken, with 26% of those journeys being made at peak traveling times.

OPERATOR REIMBURSEMENT

Local authorities are obliged through legislation to reimburse bus operators for having carried pass holders at no cost to the passenger, consistent with authorities' obligation to ensure that those operators are "no better and no worse off". Local authorities and the Welsh Government bear the cost of administering the scheme and of reimbursing bus operators for the journeys recorded. As at 2016, since the scheme started, the cost of providing free bus travel has been in the region of £840m

In 2014-15, bus fares paid by fare paying passengers in Wales increased by 4.2% compared with the previous year, but when adjusted for inflation (real terms) the increase was 3.3 %¹⁰. Over the same period, bus fares in Great Britain increased at a slower rate of 3.2% in current prices, which when adjusted for inflation is a 2.3% increase. In general, over the long term, bus fares in Wales have moved broadly in line with those for Great Britain as a whole, but there can be substantial differences between price changes in Wales, as compared with the rest of Great Britain, over shorter periods.

Prior to 2016, the representative concessionary fare, one factor used to calculate the amount payable to operators for carrying free bus travel pass holders, was initially calculated on the average adult single fare. This influenced pricing structures with operators charging a higher single fare in order to maximise the concessionary revenue income.

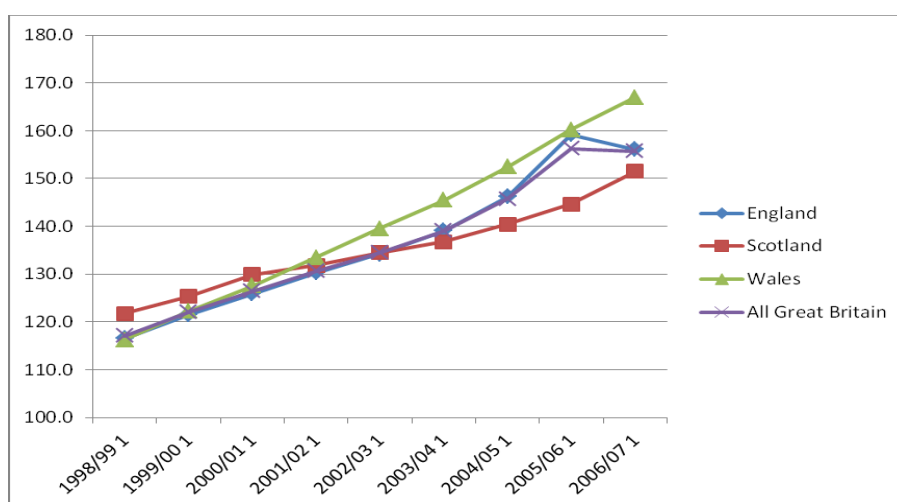


Fig 4 Increases in bus fares in Great Britain: source Department for Transport fare index

¹⁰ Stats Wales Public Service Vehicle Statistics published January 2016

Evidence suggests that the reimbursement arrangements have contributed to bus fare inflation in Wales, to a point where in some areas, the fare paid by passengers for a single adult journey is only marginally less, or in some cases greater, than the cost of a day travel ticket. Although the average adult single fare has more recently been replaced by an average depot rate, the above evidence suggests that bus fare inflation remains higher than in Wales compared to England and Scotland.

LEGAL FRAMEWORK

Section 145 of the Transport Act 2000 as amended provided for mandatory travel concessions to be provided by operators of eligible services (at present local bus services) to certain classes of passenger, including those who are elderly or disabled.

The provision states that a travel concession authority must, on an application made to it by any person who appears to the authority to be an elderly or disabled person residing in its area, issue to the person free of charge a permit, in such form and for such period as the authority considers appropriate, indicating that the person is entitled to the concession. These provisions came into force in Wales on 1 April 2002. Section 149 of the Act requires travel concession authorities (county and county borough councils) to reimburse operators for providing the concessions in accordance with arrangements agreed with the operators or determined by the authorities.

The Travel Concessions (Extension of Entitlement) (Wales) Order 2001 extended entitlement to concessions to journeys beginning or ending (or both beginning and ending) outside, but in the vicinity of, the area of a Welsh travel concession authority. The Order also removed the restriction on the times when concessions are provided; extended entitlement to men between 60 and pensionable age, with effect from 1st April 2003; extended entitlement to companions of disabled persons who require the assistance of a companion in order to travel on public passenger transport services; extended entitlement to holders of permits issued by Welsh authorities other than the one in whose area the journey is taking place, provided the permit is in an approved form for this purpose.

It is the Mandatory Travel Concessions (Reimbursement Arrangements) (Wales) Regulations 2001 that sets the overall objective for reimbursement arrangements, namely that operators should not be financially better off or worse off ¹¹as a result of providing mandatory travel concessions. Reimbursement payments must meet the costs incurred by operators in providing mandatory travel concessions and the Order defines those costs. Local authorities are required to adopt 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 their calculations to be reviewed.

¹¹ As defined in EU Directive 1370/2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70

The Regulations provide that, when adopting the standard method and when calculating the reimbursement payments, the local authorities must have regard to any guidance given by the Welsh Ministers. The Guidance was originally issued to local authorities in April 2010 and this was updated in 2014. The Regulations also allow for applications to the Welsh Ministers by operators who consider that they may be prejudicially affected by local authorities' reimbursement arrangements (i.e. who think that a local authority is under-reimbursing them).

The Concessionary Bus Travel Act 2007 Act replaced section 145 of the 2000 Act (which contained the previous mandatory bus travel concession for Wales and most of England) with two new sections. One section provides for the new national concession for England (for journeys beginning outside the London bus network); the other restates the mandatory concession for Wales. The only significant change to the legislation which could have affected Wales is the inclusion of order-making powers enabling the Welsh Ministers and the Secretary of State to require, in their respective territories, the recognition of concessionary passes issued under each other's concessionary regimes, and those of Scotland and Northern Ireland. In practical terms, these powers could be used once all parties had agreed arrangements of a reciprocal United Kingdom wide scheme.

The Welsh Ministers' powers include power to adjust the way in which bus operators are reimbursed under the Welsh scheme, so that they can be reimbursed for carrying concessionaires from outside Wales. The Act did not change the way the Welsh scheme operates, nor did it affect the Welsh Ministers' powers to alter the scope of the scheme

DATA COLLECTION

Since its initial introduction more than a decade ago, a valuable working knowledge about scheme administration has emerged based on some recurring themes, along with new statistical information obtainable because of advances in technology, such as the decision in 2006 to introduce smartcards for all pass holders. The smartcard technology enables data to be collected about all concessionary journeys, including the journey origin, date and time, and the unique identification number for each pass, but not the point at which they alighted from the bus. This means that each recorded journey attracts a reimbursement payment irrespective of the journey length. Although short journeys might therefore be over-compensated, longer journeys may be under-compensated, so achieving an overall balance consistent with the local authorities' legal obligation.

The Welsh Government funds the cost of retaining and analysing this data, 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.

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.

AUDIT AND ENFORCEMENT

As with any national scheme, the Welsh Government has worked with local authorities to ensure that arrangements are in place to safeguard against potential misuse of free bus travel passes issued in Wales, either by individuals intending to travel using a pass not issued to them, or by operators inflating the number of journeys undertaken by pass holders. The availability of smart card data has supported the Welsh Government and local authorities to put in place more robust audit and compliance arrangements to more easily identify fraudulent activity where it persists.

Ensuring that the arrangements in place to administer mandatory concessionary fares are simplified and transparent is key to tackling and reducing fraud and misuse. To this end, we are exploring the potential for rationalising the number of separate representative concessionary fares and whether each operator should have its own reimbursement rate. A pilot scheme has also begun in south east Wales through which the administration of the scheme is being streamlined, making it easier to use for applicants and pass holders, and more efficient to administer and maintain.

MAINTAINING SUSTAINABLE FREE BUS TRAVEL

The Welsh Government is committed to the availability of good quality, local bus services that are more sustainable and financially viable in the longer term. Local scheduled bus services are, and will continue to be, the foundation of our public transport system, carrying about four times as many passengers as the railways.

It is important that passengers can have confidence in the quality of services, and that standards are universally applied to local scheduled bus services across the whole of Wales. The quality of service delivered in the more rural parts of Wales should overall be no less favourable than those provided within the Metro areas or more urbanised parts of the country, although recognising that urban and rural areas are likely to have some different priorities. Universal network coverage and improved service accessibility are essential requirements if people who are eligible for free bus travel in Wales are able to benefit from the scheme.

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.

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. On this basis, we are seeking 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 bus travel undertaken.

Travel Concession Authority

Under the provisions of the transport acts described above, 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 £59m¹² 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).

Whilst the policy consultation document published on 8 March 2017 about the future planning and delivery of local bus services in Wales contained information about the mandatory concessionary fares scheme and its operation in Wales, no specific questions were asked about the scheme during that consultation. Some respondents did, however, take the opportunity to tell us what their thoughts were about the scheme.

¹² £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.

A UK wide bus operator suggested that the Welsh Government takes direct control of concessionary travel administration and reimbursement, pointing out that a recent study by Traveline Cymru suggested that this action could yield a cost saving of up to £1m per annum in reduced administration alone. 88% agreed that the Welsh Government should have the power to set up regional and national ticketing schemes.

If the Welsh Government were to take direct control over the administration of the mandatory concessionary fares scheme in relation to Wales, revised arrangements would need to be developed for the independent assessment of the cost incurred by bus operators across Wales in providing bus travel at no cost to the passenger. Revised arrangements would also need to be in place for bus operators to make applications to a person independent of the Welsh Ministers if they have reason to consider that they may be prejudicially affected by the reimbursement arrangements.

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?

Age of entitlement for free bus travel in Wales

The age at which a person qualifies for a free bus pass depends on where a person lives in the United Kingdom. In Wales, the eligibility age is 60 years old, as is the case in Scotland and Northern Ireland, which is currently seven years earlier than the UK state retirement age. In England, the age of entitlement is currently matching the state retirement age for women, irrespective of gender¹³.

The UK state retirement age is currently 65 for men and it is gradually increasing for women. It was 63 and nine months in April 2017, and will be 64 and six months by April 2018. From 2019, the state retirement age will start to increase for both men and women, to reach 66 by 2020 and then 67 by 2028.

The population of the UK is ageing¹⁴. Ageing of the population refers to both the increase in the average (median) age of the population and the increase in the number and proportion of older people in the population. The median age of the UK population (that is the age at which half the population is younger and half the population is older) at mid-2015 was 40.0, this increase is higher than the median age of 38.7 in mid-2005.

¹³ DfT Website correct as at 21/8/17

¹⁴ Population Estimates for UK, England and Wales, Scotland and Northern Ireland: mid-2015 published by the Office for National Statistics June 2016

In mid-2015, the population of the UK consisted of 32.1 million males (49.3%) and 33.0 million females (50.7%). The ratio of females to males has decreased slightly over the ten year period from mid-2005, as the male population has grown faster than the female population. There are now 103 women for every 100 men compared to 105 women per 100 men in mid-2005. The number of males aged 85 and over in the UK has increased by 54% since mid-2005, compared to a 21% increase for females. The faster improvement in male mortality is largely driven by changes seen in tobacco smoking and advances in health treatments for circulatory illnesses. Male occupations over the same period have also become less physical and safer.

Over the next 20 years, the percentage of 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 2030.¹⁵ 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 880,000¹⁶ people, rising to a little more than a million people by 2030.

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?

Disabled people

Disability Wales estimates that disabled people make up more than 20% of the population in Wales¹⁷, 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 14,729¹⁸ 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.

Disabled people are less likely to have the use of a car (six out of ten do so compared to eight out of ten non-disabled people). Employed disabled people are nearly twice as likely not to have the use of a car as non-disabled people. The 2010 Welsh Bus Passenger Survey reported that 25% of respondents had a disability or long term illness. Within this group, around 12% of bus users had restricted mobility impairments and 1% used wheelchairs.

¹⁵ Wales Government Future trend report published May 2017

¹⁶ Estimates provided by stats Wales August 2017

¹⁷ Estimated by Disability Wales <http://www.disabilitywales.org/calls-for-action/>

¹⁸ Welsh Government statistical bulletin - annual report which includes information on people with a learning, physical and sensory disability.

Moreover, research published by the Joseph Rowntree foundation ¹⁹ estimates that once account is taken of the higher costs faced by those who are disabled, half of people living in poverty are either themselves disabled or are living with a disabled person in their household.

Disabled passengers who use buses use them as intensively as non-disabled passengers. Some 75% of disabled bus users use a bus three or more times a week, compared to 72% of bus users who are not disabled. This is despite disabled users having a different pattern of bus use.

Compared to non-disabled bus users, disabled people are less likely to use a bus to commute and travel to education, but more likely to use a bus for shopping, visiting friends and relatives, and for leisure. Around two-thirds of passengers reporting that they are disabled or have a long-term illness were entitled to free concessionary bus travel because they met either the age or disability criteria of that scheme.

About 55,000 ²⁰ 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 journeys made in Wales in 2016/2017.

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?

Companion passes

As described above, some disabled people who are eligible for a free travel pass because of their disability may ask their local authority to exchange their “standard” pass for a companion pass to allow free travel with one companion. The companion pass may be issued only in cases where applicants can satisfy the Travel Concession Authority that a companion is necessary to enable the pass holder to make their bus journey. It is not necessary for the pass holder to be accompanied by a companion on every journey because it is accepted that their condition(s) will vary.

The Welsh Government recognises that in some cases, the assistance of more than one companion may be required to provide additional assistance to enable the pass holder to undertake a journey using local scheduled bus services. In those circumstances, local authorities would be obliged to reimburse bus operators for each companion who had travelled for free accompanying a disabled pass holder.

¹⁹ https://www.jrf.org.uk/report/monitoring-poverty-and-social-exclusion-2016?gclid=EAlaIqobChMI1dCvz9LM1QIViLftCh0gnAKXEAAAYASAAEgJZoPD_BwE

²⁰ Data on passes issued provided by ACT 2016-2017

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?

Veterans

The Welsh Government recognises 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.

As an example, military veterans are entitled to priority NHS treatment for any health condition which arises from their Service and since 2011, we have made available concessionary bus travel to veterans meeting certain requirements. About 2,600 passes have been issued to veterans in Wales, accounting for less than 1% of the bus journeys made in 2016/2017.

Our Welsh Government's veterans expert group advises on how public services can best meet the Service community's needs. Chaired by the Cabinet Secretary for Communities and Children, the group includes serving officers from the three Services, along with representatives of the Army, Naval and RAF Families Federations, and of third-sector organisations who are active in supporting the Forces community.

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.

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

Volunteers

Volunteering is recognised by Jobcentre Plus if a volunteer is placed with:

- a charity, voluntary organisation or community group
- a public-sector organisation, such as local council or hospital
- a social enterprise supporting your local community.

In Scotland, the equivalent free bus travel scheme has been extended to include volunteers (who regularly volunteer for at least 30 hours a week) up to their 26th birthday. Volunteers clearly make a very important and valuable contribution to Welsh society, and the Welsh Government considers it important that their contribution is recognised. We would therefore welcome views about whether discounted bus travel should be extended to volunteers.

In a statement agreed by the Welsh Government and representatives of the Third sector in Wales, volunteering is described as:

‘an important expression of citizenship and is an essential component of democracy. It is the commitment of time and energy for the benefit of society and the community and can take many forms. It is undertaken freely and by choice, without concern for financial gain.’ (Voluntary Sector Scheme, 2000)

Volunteering can be divided into two concepts: formal or informal volunteering. Formal volunteering is volunteering with an organisation, whether it is a voluntary sector organisation or a public body or a business. Informal volunteering is doing something unpaid as an individual for a neighbour or friend or member of your community, who is not a close family member.

Figures published by the Wales Council for Voluntary Action (WCVA) in 2015²¹ reported that 70.7% of adults had volunteered formally (with an organisation) or informally (as an individual) in Wales in the last 12 months in the two annual surveys covering 2013-2015. This is equivalent to 1,793,749 volunteers, of whom 1,626,599 volunteered informally and 940,533 volunteered formally.

The report states that men are slightly more likely to volunteer than women, though the difference is not significant (37.6% compared to 36.6%). People aged between 35 and 44 are the most likely to volunteer, with 46.3 % saying they do so. Older people (aged 65 and over) are less likely to volunteer reported at 30.7%. Overall, the differences between age groups are only significant between older people aged 65 and over and people aged between 35 and 44 (the highest and lowest); all other age groups are not significantly different from any other age group. In terms of numbers, the WCVA estimated that the number of young people aged between 16 and 24 volunteering in Wales at about 145,000 people.

Research conducted by the WCVA also suggests that people from the AB economic group (Higher professional and managerial workers) , with higher earning power, educational attainment and social status were more likely to volunteer than those with lower earning power, educational attainment and social status (49.7% compared to 27.9% for group E – long term unemployed)

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

²¹ https://www.wcva.org.uk/media/4576349/final_volunteering_in_wales_2015_-_english_july_2016.pdf

Permissible time of travel

The mandatory concessionary scheme in Wales currently provides pass holders free travel at any time or day on eligible local scheduled bus services. This is more generous than that offered in England where the pass holder is entitled to free off-peak bus travel. In Scotland and Northern Ireland, free bus travel is permitted at all times every day of the week and there is no peak-time restriction.

The key benefit of this flexibility is that passholders are not tempted to bunch around the first services after the peak, smoothing the pattern of use. This has though led to the peaks moving to later in the mornings, reflecting the fact that most passholders are not required to start work during traditional peak hours.

Data provided by the Welsh Government's third party contractor (ACT Ltd) shows the number of journeys undertaken on buses at peak travel times, that is 07:00-9:30 and 16:00-18:30 accounts for about a quarter of journeys undertaken daily, with a little less than three quarters of journey made at times considered to be off peak.

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?

Fees for processing applications

The Welsh Government pays local authorities £3 annually for each pass issued in their area irrespective of whether it is used or how frequently. Applicants are not charged for their pass unless they have repeatedly lost their passes. It is now possible via new analytical software to identify the frequency of use of each pass. It could be argued that local authorities incur minimal administrative costs once a pass has been issued, especially if those passes are rarely if ever used.

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?

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

- Older people
- Disabled people
- Injured service veterans, or
- None of the above?

Other modes of public transport

Since the scheme was introduced pass holders have been entitled to travel free on all local bus services, including community transport services operated under “Section 22”²² permits. It has therefore always been possible for some community transport operators to seek to register services as local bus services and to be reimbursed for carrying concessionary pass holders. Each local authority is responsible for determining the appropriate reimbursement consistent with their legal obligation to ensure that operators of services are no better and no worse off.

Additionally, in some areas where access to local scheduled bus or community transport services is limited or unavailable, it has been suggested that people should be able to use their free bus pass on other transport modes, such as taxis. Community transport services are also operated other than under “Section 22” permits, and such services are outside the scope of the mandatory concessionary bus travel scheme. There have been calls, from time to time, to extend the scheme to also include such services, which are not “local bus services”.

The Welsh Government has explored the scope for extending the scheme to community transport services other than those operated under “Section 22” permits. It is clear that this could potentially increase the annual cost of the scheme significantly, and could impact on the funding available to support the existing local bus network, or be achieved only by reducing individuals’ entitlements.

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

²² Section 22 of the Transport Act 1985 – community transport providers exempt from Public Service Vehicle Operator requirements

SUMMARY OF QUESTIONS

1. 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?
2. 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?
3. 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?
4. 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?
5. Do you think that veterans meeting certain requirements should continue to receive a mandatory concessionary free bus travel pass at no cost?
6. Do you think that free bus travel should be extended to volunteers who volunteer for at least 30 hours a week?
7. 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?
8. 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?
9. 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?
10. Should the Welsh Government explore the extension of free concessionary bus travel scheme to other modes of local transport services?

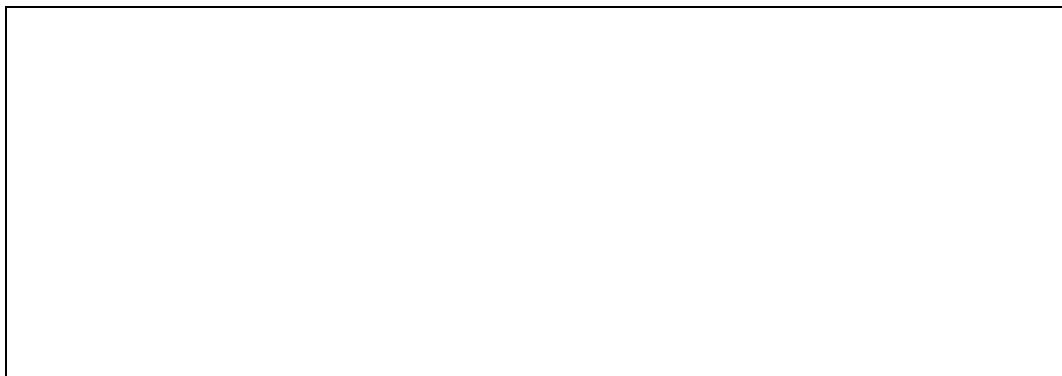
CONSULTATION FEEDBACK FORM

1. 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?

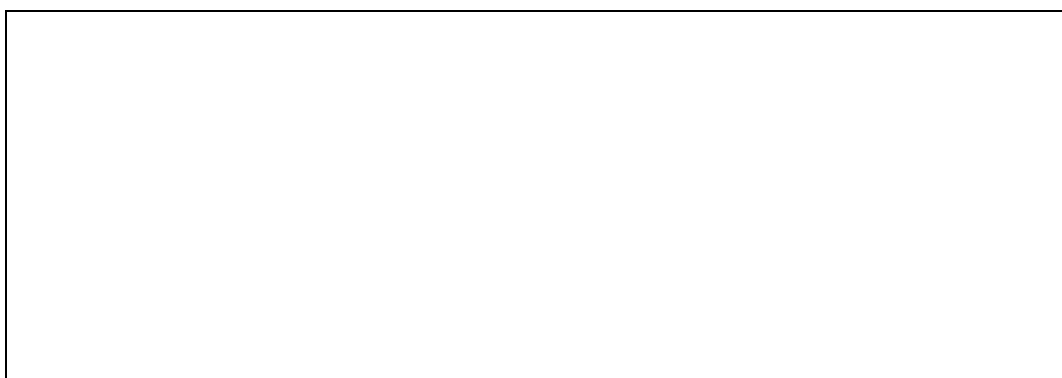
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4. Do you think that the Welsh Government should allow more than one companion to travel with a disabled concessionary pass holder where more than one companion is needed to make travel by bus possible?



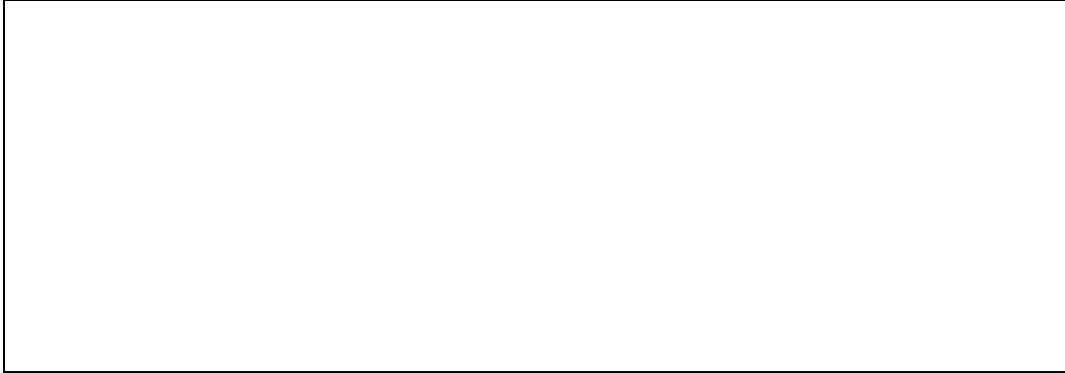
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6. Do you think that discounted bus travel should be extended to volunteers who volunteer for at least 30 hours a week?



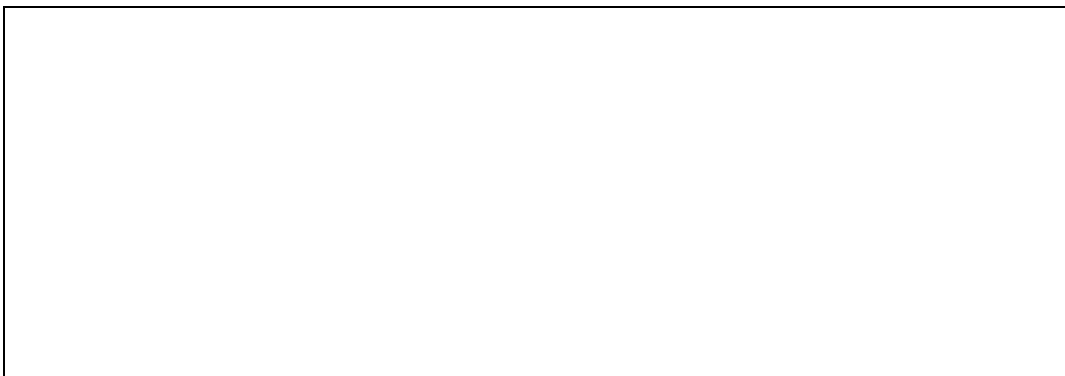
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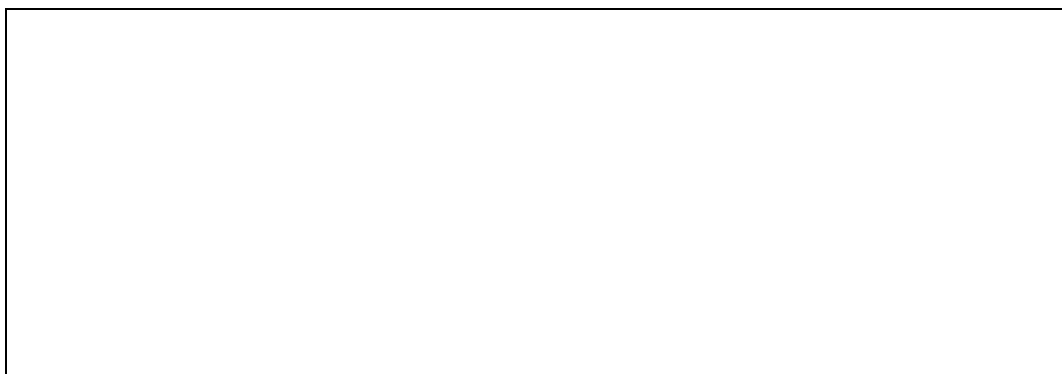
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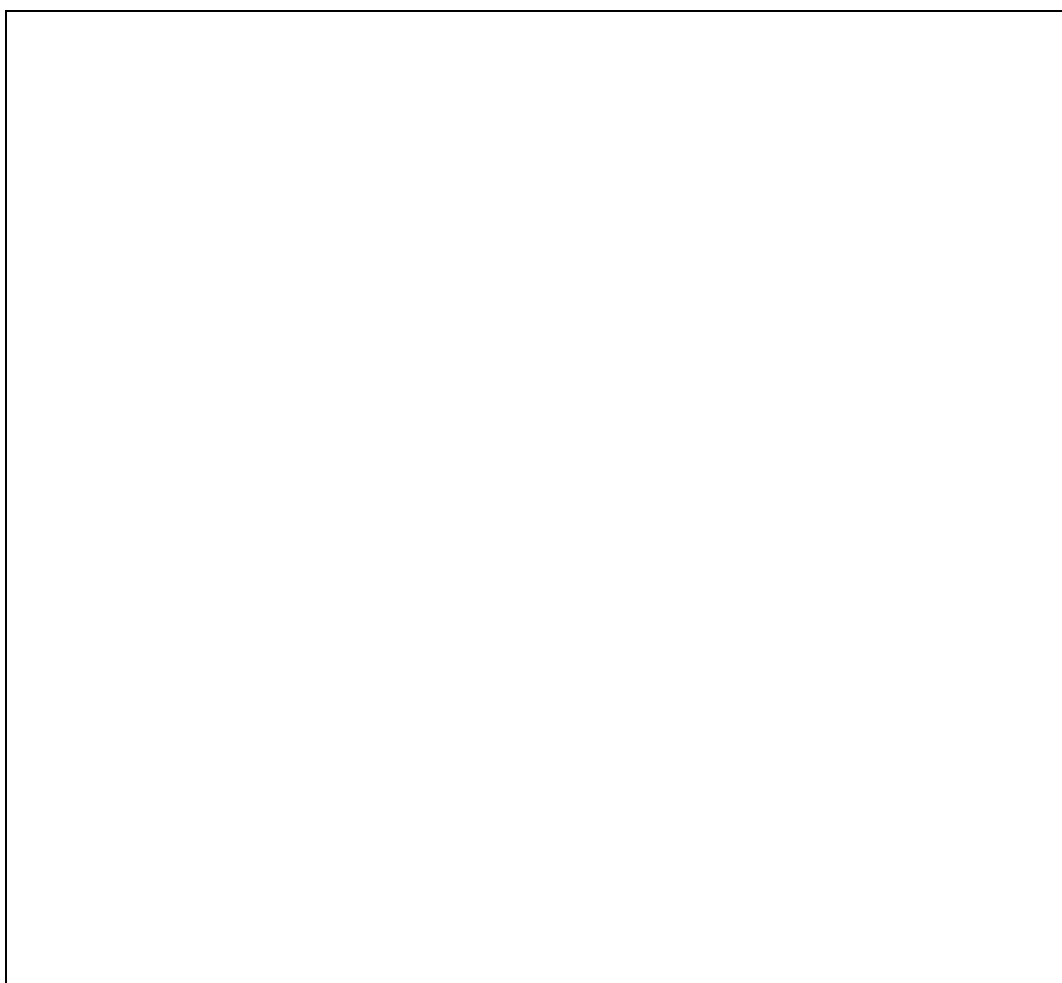
9. If an application fee is introduced for a free bus pass, should it be paid by:
- a. Older people
 - b. Disabled people
 - c. Injured service veterans, or
 - d. None of the above?



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

A large, empty rectangular box with a thin black border, intended for a response to the question above.

Please use this space below if you want to tell us anything else about the free concessionary bus travel scheme.

A large, empty rectangular box with a thin black border, intended for a response to the prompt above.

Your name/organisation and postal/email address

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Please tell us on what basis you are responding (tick one)

Passengers		Non bus user member of the public	
Central Government		Public Transport User Groups	
Local Authority (Wales)		Environmental Groups	
Local Authority (England)		Disability Groups	
Commissioners/ Ombudsman		Community Groups	
Advisory Groups		Bus Industry / Operators	
Media		Air Industry / Operators	
Emergency Services		Sea Industry / Operators	
Health Sector		Trade Unions	
Education sector			
Other (Please state)			