

Title of Decision/Approval	Concessionary Fares Scheme reimbursement arrangements for 2022/23
Decision Type	Leader's Key Decision
Author/position	James Howe, Public Transport Operations Team Leader
Date	25.03.22
Summary of decision/approval	<p>Approval is sought to delegate authority to the Corporate Director for Development and City Growth, in consultation with the Leader of the Council and Portfolio Holder for Highways, Transport and Cleansing Services, to agree reimbursement arrangements and associated financial commitments for statutory and discretionary concessionary fare payments for 2022/23.</p> <p>The council is a Travel Concession Authority (TCA) and has a duty to provide free travel on local bus services for holders of a valid English National Concessionary Travel Scheme (ENCTS) pass for journeys that commence within the council's administrative boundary. This means that pass holders can travel free on buses between 9.30am and 11pm on weekdays, and all day at weekends and on bank holidays.</p> <p>ENCTS free travel is largely funded by central government via the Local Government Finance Settlement (LGFS) grant provided annually to each English Council. The Council is responsible for reimbursing bus operators for all statutory free concessionary travel commencing within Nottingham, irrespective of which TCA issued the pass.</p> <p>TCAs can offer, and locally fund, additional travel entitlements using discretionary powers from Section 93 of the Transport Act 1985. The Council currently offers two additional travel entitlements for Nottingham residents; these are free travel on the tram and a companion travel facility attached to passes issued for certain disabilities.</p> <p>Following government guidance and legislation changes to permit it, the Council has paid bus and tram operators at pre-Covid levels of travel since the start of the pandemic to help maintain network provision and ensure that operators remain as going concerns. This support has allowed time for people to regain confidence in using public transport, but it is expected that there will be a return to paying concessions on the basis of actual trips made on a phased basis during the 2022/23 financial year.</p>

	<p>Prior to reintroducing payments to operators based on actual trips made, arrangements for the phased return and the reimbursement levels will need to be agreed. The arrangements for the phased return are likely to be determined by the strength of operator recovery from the pandemic and the budget availability. The reimbursement levels with operators will be determined through historic passenger data, and the actual travel demand. In the year before the pandemic (2019/20), the Council made a reimbursement of £8.1m to transport operators based on 8,919,468 journeys per year.</p> <p>Approval is specifically sought to delegate authority to the Corporate Director for Development and City Growth, in consultation with the Leader of the Council and the Portfolio Holder for Highways, Transport and Cleansing Services, to agree reimbursement arrangements and associated financial commitments for statutory and discretionary concessionary fare payments for 2022/23.</p>
<p>Approximate (net) Value of decision/approval (£m)</p>	<p>Up to £8,100,000</p>