

*joining up
journeys*

SPT

committee minute

Minute of Strathclyde Concessionary Travel Scheme Joint Committee

11 December 2009

held in Consort House, Glasgow

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Minute of the meeting of the Strathclyde Concessionary Travel Scheme Joint Committee held in Glasgow on 11 December 2009

Present	Councillors Robert Burrows (Chair), Ellen Hurcome, Eileen Logan, Alan Moir, Duncan MacIntyre and Eddie Phillips (Vice-Chair).
Apologies	Councillors John Campbell, Jim McElhill, Nan McFarlane, Alan Noon and Alistair Watson.
Attending	Valerie Davidson, Treasurer.

1. Declaration of interest

The committee noted that there were no declarations of interest.

2. Minute of previous meeting

The minute of the meeting of 26 June 2009 (issued) was submitted and approved as a correct record.

3. Revenue monitoring report as at end of period 8, 7 November 2009

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There was submitted a report (issued) of 18 November 2009 by the Treasurer

- (1) reminding members that the committee had approved a revenue budget for 2009/10 of £4.837m;
- (2) appending the revenue monitoring report for the period to 7 November 2008 (period 8); and
- (3) informing members that, based on the information available to date, an overspend of £0.251m was forecast at this stage which would be contained within available resources, utilising reserves.

After consideration, the committee noted the terms of the report.

4. Review of Strathclyde Concessionary Travel Scheme review

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With reference to the minute of 30 January 2009 (page 4, paragraph 6) when the committee had agreed that a full review of the Strathclyde Concessionary Travel Scheme (SCTS) be undertaken with a view to bringing forward proposals in relation to the scheme terms, fare structure and criteria, there was submitted a report (issued) of 24 November 2009 by the Treasurer,

- (1) informing members
 - (a) that a review of the scheme was timely given the recent review and evaluation of the National Concessionary Travel (NCT) Scheme undertaken by the Scottish Government; and

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- (b) that the underlying drivers of the NCT's review included an ageing population, growing concessionary travel reimbursements, budget constraint/affordability and the challenges faced by the current economic climate, all of which were equally valid considerations for the review of the Strathclyde scheme;
- (2) detailing the key findings and proposed scheme objectives which had emerged from the review of the scheme;
 - (3) appending
 - (a) an outline of the initial aims of the scheme;
 - (b) a summary of the development options which had been created with a view towards sustaining the benefits of the scheme; and
 - (c) a high level summary of the appraisal results;
 - (4) recommending
 - (a) that in the short term (over the next year and impact reviewed in year 2) the following changes to the scheme be implemented:-
 - replace original SCTS aims with proposed revised scheme objectives;
 - increase the basic concessionary fare on rail and subway by a maximum of 20p;
 - re-introduce a basic concessionary fare on ferry services included within SCTS, consistent with rail and subway;
 - introduce a price differential between the single and return basic concessionary fare (e.g. single = 60p, return = £1); and
 - impose a cap on the level of annual reimbursement by mode and operator;
 - (b) that over the medium to longer term (over the next 3 - 5 years) the following proposals be taken forward:-
 - set out a clear monitoring regime and evaluation schedule for agreed changes to the SCTS;
 - develop a long term plan to review SCTS at regular intervals taking account of the findings and an impact assessment of the initial short term recommendations, noting that over the 5 year period different fare options and models would be assessed to ensure the long term viability of the scheme;
 - instigate a comprehensive review of the SCTS reimbursement calculator(s) to ensure accuracy, improve usability and remove potential anomalies;

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- consider linking the basic concessionary fare to inflation and/or standard fare price increases to minimise fluctuations in the real level of discount over time;
 - open dialogue with Transport Scotland/Scottish Government as to the merits and demerits of setting eligibility of National Entitlement Card and SCTS to the national retirement age;
 - investigate the merits and demerits of alternative methods of funding and operating the SCTS. e.g. contracting; and
 - further investigate the opportunities for SCTS linked to the development of Smartcard ticketing; and
- (5) concluding that both sets of recommendations aimed to safeguard the main benefits of the scheme to elderly and disabled users and ensured financial sustainability.

After discussion and having heard Mrs Davidson in answer to members' questions the committee

- (i) approved the recommendations at (4) above; and
- (ii) agreed
 - (A) that the Assistant Chief Executive (Business Support) would write to Transport Scotland requesting that the ferry element be included within the national scheme on the grounds of sustainability;
 - (B) that a copy of the letter be forwarded to the Scottish Government for consideration within their Ferries Review; and
 - (C) that the detailed report on the review of the scheme be circulated to all members of the committee.

5. Proposed revenue budget for financial year 2010/2011

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There was submitted a report (issued) of 2 December 2009 by the Treasurer

- (1) informing members
 - (a) that the introduction of a Scotland-wide Bus Concession Scheme had had a significant impact on the cost of the residual Strathclyde scheme; and
 - (b) that after more than three years of the residual scheme, the cost of the scheme had settled at just over £5m per annum for rail, subway and ferry services;
- (2) outlining the major short term recommendations for the entire Strathclyde Concessionary Travel Scheme (SCTS) following its review which had been approved at item 4 of the minute;

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- (3) enclosing as an appendix to the report, a proposed revenue budget for 2010/2011 of £4.412m;
- (4) highlighting that the budget for 2010/2011 included:-
 - increased fares in respect of ferries, subway and Scotrail;
 - ferry generation remaining at 40% for ordinary and companion concession passengers and 20% for 60 to 64 year old concession passengers;
 - a substantial reduction in interest received from cash balances; and
 - implementation of the recommendations contained within the SCTS review;
- (5) advising members that, although the residual scheme held reserves of £6.594m which had been accrued over a number of years largely through the 12 member authorities providing funding in excess of GAE, the transition to a smaller residual scheme had led to a review of reserves with the recommendation that reserves should be reduced to a level appropriate to the residual scheme
- (6) recommending
 - (a) that reserves be utilised over this financial settlement period 2008/2009 to 2010/2011 to minimise the contribution from member authorities; and
 - (b) that in 2010/2011 a draw of £1.886m be made from reserves resulting in a contribution of £2.526m across the 12 authorities as detailed in appendix 2 of the report; and
- (7) emphasising that constituent authorities were aware that drawing on the scheme reserves was not sustainable on an ongoing basis.

After consideration, the committee approved the recommendation at (6) above.

6. Status report on the performance on Travel Card Unit

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There was submitted a report (issued) of 3 December 2009 by the Treasurer,

- (1) informing members of the performance of SPT's Travel Card unit and ongoing operational issues due to the loss of some functionality following the introduction of the Citizens Account and Card Management systems which were available on the previous system;
- (2) enclosing as appendices to the report various charts which highlighted the incoming calls and calls answered by the unit between 2007 - 2010;
- (3) explaining
 - (a) that those charts had shown that call volumes had increased from broadly 50,000 to 100,000 calls handled per annum; and
 - (b) that although the high volume of calls had reduced all calls answered success rates, the necessary steps had been taken to address these matters and the rate had now recovered to former high levels;

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- (4) intimating
 - (a) that in order to provide management with enhanced real time information and statistics on call handling, discussions had been ongoing with SPT's Technology Solutions Team to purchase additional licences to improve the existing call management system; and
 - (b) that a review was also underway into the current operating hours of the Travel Card Unit call centre and the customer booth within Buchanan Bus Station, with a view to extending them within existing budgets.

After consideration the committee

- (i) noted the terms of the report; and
- (ii) approved the continued maintenance and development of the Travel Card Unit.

7. Chair's remarks

As this would be the last meeting of the committee before the Christmas recess, the Chair expressed his warmest wishes to all members and their families during the festive season.