

Supporting Justification - Place Directorate Budget Reductions and Income Generation Proposals				R24	
Budget Manager / Lead	Chris Spry				
Budget Code and Description	Passenger Transport Concessionary Fares				
Head of Service	Steve Hayes				
Service Group	Transport				
Portfolio Holder	Martin Gowans				
Proposal Category	Thinking Differently				
Proposal Description	Remove discretionary bus concessions during morning peak times. Aligns with many local authorities who have already removed this discretionary concession. Users are still able to gain concessionary travel after 9.30am freeing up space for commuters and other users during peak times.				
Current Status of Proposal (difficulty of delivery)	R	A	G		
	X				
Financial Summary		Profile			
Detail of proposal elements - e.g. cost of additional staff to enable reduction, income generated, reduction in cost	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	Total £'000
Reduction in concessionary fares cost	-25				-25
					0
					0
Totals	-25	0	0	0	-25
Invest to Save Required? If yes, please provide details.					
No					
Implementation Timeline					
Task / Activity	Target Date		Lead / Person Responsible		
Operators and passengers advised of policy change	28 days notice		MKC (Transport Service)		
Baseline Data and Assumptions (i.e. - how has the proposal been calculated, date of implementation, impact on number of FTE's, etc):					
MKC currently spends c.£50,000 p.a. on this concession. However it is anticipated that a proportion of passengers whose journeys are not time sensitive would switch to travelling after 0930 and so would still require their journeys to be paid for through the statutory scheme. It is therefore estimated that the saving would be around half of the current budget. It is proposed this change would take effect 1st April 2019.					
Explanation of issues, key decisions/dates and other factors affecting delivery:					
Milton Keynes Council is required by law to reimburse bus operators for carrying elderly and disable passengers bus users who hold bus passes for free between the hours of 9.30am and 11pm as part of the English National Concessionary Travel Scheme. Outside of these hours MKC also funds operators to carry pass holders at a concessionary rate (50p for disabled users and £1 for elderly users before 9.30am, and free for all pass holders after 11pm.) This discretionary subsidy could be removed. Many other local authorities now only implement the statutory scheme.					
Performance Monitoring (how will progress be monitored):					
Monthly financial monitoring undertaken.					
Impact on External Service delivery:					
This would not impact on service delivery. It would make bus travel more expensive for concessionary passholders before 9.30am					
Context / Mitigation of any Adverse Impact:					
In the context that many other Authorities have already abolished discretionary travel concessions this would not be an unreasonable decision. It is certainly preferable to alternative options such as removing bus subsidises entirely which has had the perverse impact that in some areas of the country many passholders do not have a service to use their pass on. It has been argued in some areas that passholders would prefer to pay a fare than lose their service entirely. As mitigation, bus operators could be encouraged (but not compelled) to offer their own commercial discounts to passholders before 0930, which happens in some areas.					