

**WEST YORKSHIRE PASSENGER TRANSPORT AUTHORITY**

**AT A MEETING OF THE CONCESSIONARY FARES WORKING GROUP  
HELD AT WELLINGTON HOUSE ON  
FRIDAY 19 OCTOBER 2007**

**PRESENT:** Councillor M Walker (Chair)  
Councillors J Jarosz, T Leadley and K Rhodes

**8. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors T Brice and M Slater.

**9. DECLARATIONS OF INTEREST**

There were no personal or prejudicial interests declared by members at the meeting.

**10. MINUTES**

**RESOLVED** - That the minutes of the meeting held on 5 September 2007 be approved.

**11. 2008 ENGLISH NATIONAL CONCESSIONS SCHEME FUNDING**

The Working Group considered a report of the Passenger Transport Executive updating members in respect of the funding for the English National Concessions Scheme (ENCS).

It was reported that it was difficult to estimate the additional expenditure that would be needed as a result of the introduction of the ENCS. There was also concern regarding the potential difference in the amount of Grant allocation from the DfT which would be paid directly to Metro. The DfT were consulting on four options for distributing the Grant and the Working Group considered the schedule, which was attached at Appendix 1 to the submitted report. It was reported that the DfT required responses to the consultation by 23 November 2007 and it was recommended that a response expressing preference to Option 4 (the most favourable for Metro) and rejecting Option 2 (the least favourable) be endorsed.

With regard to the issue of smartcard passes, it was reported that there would be further significant costs incurred in card management, including future pass issue. It was reported that the DfT had established a company, ITSO

Services Ltd, to carry out the function on behalf of non-smart Travel Concessions Authorities, which included Metro. Members were advised that options for card management were being investigated. A report would be prepared for consideration by the PTA seeking formal approval to the expenditure relating to ITSO Smartcard issue and management.

It was reported that approximately 200,000 applications for the passes had been received to date and consideration would be given to further marketing activities in the New Year.

**RESOLVED -**

- (a) That the report be noted.
- (b) That a response expressing preference for Option 4 (the most favourable for Metro and some other PTA/Es) and rejecting Option 2 be endorsed.
- (c) That the Authority be recommended to approve expenditure related to ITSO Smartcard issue and management.

**12. EXCLUSION OF THE PRESS AND PUBLIC**

The Working Group considered a recommendation to exclude the press and public from the following item which contained exempt information as defined in paragraph 3 of Schedule 12a Local Government Act 1972.

**RESOLVED -** It was agreed that, because disclosure of the report might prejudice future negotiations, the public interest would be better served by maintaining the exemption and, therefore, that the press and public should be excluded.

**13. CONCESSIONARY TRAVEL 2006/2007**

The Working Group considered a report of the Passenger Transport Executive updating members in respect of the budget for concessionary travel.

It was reported that following their appeal, First had been advised of Metro's need to complete the settlement exercise by the end of September 2007 in order to finalise expenditure for 2006/2007, establish a robust outturn estimate for 2007/2008 and prepare a budget estimate for 2008/2009. All operators had been advised that final settlements would be calculated once Metro had had the opportunity to consider the detailed report which had been received from First on 28 September 2007. It was noted that the report had been prepared by a technical consultant employed by First to substantiate their claim and upon receipt, had been assessed by MVA, Metro's technical advisers.

It was noted that the consultation with First and other operators had taken longer than anticipated and it was essential that the matter was brought to a conclusion as quickly as possible in order to finalise the 2006/2007 reimbursement settlements. Members considered the proposals and risks regarding the assumptions to be adopted and used to calculate the final settlement for 2006/2007 which were set out in paragraph 3.7 of the submitted report.

Consideration was also given to the publication of a revised scheme which would have to be published on 1 December 2007 (to allow for the four month consultation period) to take into account the ENCS arrangements that would be introduced from 1 April 2008. The Working Group had previously been advised that the changes to the concessionary travel scheme and the First appeal would have significant adverse impacts on Metro's financial strategy and action would be required to address the projected budget deficit. A report would be prepared for consideration by the PTA.

**RESOLVED -**

- (a)** That the Authority be recommended to endorse an approach of informing operators that Metro will make a final settlement for the 2006/2007 reimbursement on the basis of the assumptions set out in paragraph 3.7 of the submitted report.
- (b)** That the Authority be recommended to approve publication of the revised reimbursement arrangements for 2006/2007.
- (c)** That the Authority be recommended to endorse publication of a revised West Yorkshire Concessionary Travel Scheme incorporating the changes required by the ENCS with effect from 1 April 2008.