

Strathclyde Concessionary Travel Scheme Joint Committee



Monitoring and Performance Costs for 2017/18 Quarters 1 to 3; and Year-end Forecast.

Date of meeting 23 February 2018

Date of report 9 February 2018

Report by Treasurer / Secretary

1. Object of report

To provide an update to the Committee on the performance and monitoring costs of the Strathclyde Concessionary Travel Scheme ('the Scheme') for 2017/18 Quarters 1 to 3; and to provide a performance and monitoring cost forecast for 2017/18 year-end.

2. Background

In December 2008 the Joint Committee, following an assessment of patronage, increased operator costs and requests for scheme extensions, instigated a review of the entire Strathclyde Concession Scheme. The major recommendations were:

- (1) Replace original SCTS aims with proposed revised scheme objectives.
- (2) Increase the basic concessionary fare on rail and subway by a maximum of 20p at that time.
- (3) Re-introduction of a basic concessionary fare on ferry services included within SCTS, consistent with rail and subway.
- (4) Introduce a price differential between the single and return basic concessionary fare (e.g. Single = 60p, Return = £1).
- (5) Impose a cap on the level of annual reimbursement by mode and operator.

For 2010/11, the Joint Committee agreed to implement recommendations (1) to (4), with recommendation (5) to be considered for future implementation. This recommendation was subsequently re-assessed in 2012/13 following discussion with all affected operators and an agreement to implement a series of reduced operator reimbursement rates.

For 2013/14, the Joint Committee agreed to increase the basic concessionary fare on all modes by 10p on a single and 10p on a return, making the single fare 90p and the return fare £1.30. This was to mitigate the impact on Scheme costs of the January 2013 increase in average ScotRail and Ferry fares.

No changes to the Scheme rules or applicable fares were made between 2014/15 and 2016/17.

For 2017/18, the Joint Committee agreed to increase the basic concessionary fare on all modes by 10p on a single and 10p on a return, making the single fare £1.00 and the return fare £1.40. This was the first fares increase in concession fares in 4 years.

3. Performance and Monitoring

Members will recall that at the last meeting of the Joint Committee, cumulative totals for Quarters 1 and 2 were reported showing a patronage increase of 6% and a reimbursement increase of 1%.

The latest cumulative performance and monitoring results for 2017/18 Quarters 1 to 3, compared with 2016/17, are shown in the table below.

Mode	SCTS Patronage Change Compared to 2016/17 Periods Q1 to Q3
Rail	+5%
Subway	+20%
Ferry	+1%

Members are asked to note that at the time of writing, final Q3 figures had not been fully received from all operators and were still being processed; figures therefore may be subject to change. Complete year-end figures for 2017/18 will be presented at the next meeting of the Joint Committee.

Members are asked to note that the large increase in patronage shown for Subway in 2017/18 is due mainly as a result of the 6-week suspension of services that occurred in Q2 of the previous year.

The above results intimate that for year-end, patronage levels will increase overall by 6%, resulting in a corresponding increase in expenditure of approximately 2%.

4. Conclusions

Overall patronage figures for the first three quarters of 2017/18 shows demand for concessionary travel is increasing.

Members are asked to note that the SCTS fare increase applied in the first quarter of 2017 has helped manage Scheme costs, however, any future increases to standard fares on rail, Subway or ferry may result in increased reimbursement costs to the Scheme. Officers will continue to identify ways in which the costs to the Scheme can be managed within budget projections.

5. Consequences

Policy consequences	The Scheme will continue to meet the RTS Objective "Access for All".
Legal consequences	None at present
Financial consequences	None at present. Efficient monitoring of the Scheme will help ensure that this remains the case in future.
Personnel consequences	None at present

Equalities consequences	None at present
Risk consequences	None at Present

Name	Valerie Davidson
Title	Treasurer/Secretary Strathclyde Concessionary Travel Scheme Joint Committee

Name	Gordon MacIennan
Title	Chief Executive

For further information, please contact Martin Breen (Planning & Projects Officer) on 0141 333 3741.