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From the
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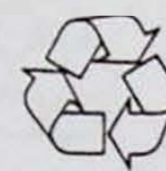
MAKING FREE TRAVEL FOR OLDER PEOPLE A REALITY

Introduction

1. I am writing to inform the Committee about my thinking on making free travel for older people a reality and to invite the Committee's views.

Background

2. Under present arrangements the Northern Ireland Concessionary Fare Scheme is administered and paid for by the Department for Regional Development from monies voted by the Assembly. The power to support the scheme is contained in the Transport (Northern Ireland) Order 1977. That legislation gave the Department similar powers to those extended by Parliament to Local Authorities in Great Britain to provide a Concessionary Fare Scheme.
3. The main difference between GB and NI legislation is that in GB the categories of people who may be included in Local Authority sponsored schemes are listed in the legislation.
4. In Northern Ireland, the legislation permits the Department (with the approval of the Department of Finance and Personnel) to decide which categories of people should qualify for a concessionary fare. The current scheme provides half fare travel for men and women over 65, children up to age 16 and war disabled pensioners. The scheme offers free travel to people who are Registered Blind.
5. Eligible passengers pay a reduced fare at the time of travel and the public transport companies claim back from the Department the discount given to the passenger. Financial projections for the 1999/2000 financial year indicate that the scheme will cost £9.4 million; £8.17 million for bus travel, and £1.23 million for rail travel. Survey work undertaken for the Department in 1977 revealed that 62% of expenditure (£5.83 million) is on travel by children and 38% (£3.57 million) for the elderly.

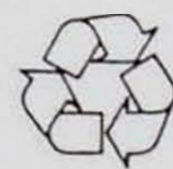


A better deal for older people

6. One of my central aims as Minister is to work to achieve a more inclusive society. I believe affordable mobility is essential if older people are to experience a reasonable lifestyle. A lack of personal mobility can result in a loss of independence, poorer health and greater dependence on health and social services. Suitable, accessible and affordable public transport services can provide older people with more opportunities for social interaction and enable them to have better access to shopping and services.
7. It is estimated that the introduction of free travel for older people could cost a further £4-£7 million annually. This additional cost relates to the half fare which is currently being paid by the passenger and further costs associated with increased travel by older people. I hope we will be better able to gauge the impact of "generated" travel when the results of the Pilot Free Travel Scheme in Castlereagh and Newry & Mourne, initiated under the previous Administration, are known and evaluated.

Funding the resources

8. There are, across the Northern Ireland system, intense, competing demands for available resources and it is widely recognised that the current public transport infrastructure is inadequate. For instance, it is estimated that £70 million will be required to replace NIR's Class 80 rolling stock that has already reached the end of its economic life. The track and safety systems will soon require substantial investment to meet industry standards. Bus based public transport has also suffered through under investment. The Deputy Prime Minister, John Prescott, recently announced target vehicle replacement ages for the GB bus industry which would require Translink to spend, on average, over £11 million each year for the next 10 years to achieve and maintain bus fleet age to these targets.
9. To redress this neglect, I will be arguing for more money for the transport budget and I am also examining options for introducing sources of private finance. You will not, therefore, be surprised that I cannot see room to switch any of the existing resources available for transport to improve the current concessionary fare arrangements.
10. Nor do I think it is desirable to reduce the concession given to children under the current scheme to pay for increased benefits for elderly people. This would be counterproductive in transport policy terms since it would be likely to increase the numbers of children taken to school by private car. Furthermore, I want to encourage greater use of public transport by society as a whole. In these circumstances it is important that children develop a habit of using public transport, rather than regard the private car as the main means for their mobility.

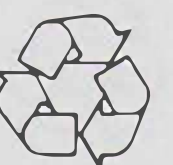


Involving District Councils

11. In these circumstances, we need to look at alternative approaches to funding the additional half of any scheme for free travel for older people. One option would be for District Councils to pay for increased benefits offered to older people. As a local representative for 23 years, I have been aware that many of the services provided by Councils in Northern Ireland, including my own at Castlereagh, particularly benefit younger, more mobile people. I am pleased to report that the initial response to the suggestion that Councils might have a role to play has been positive from the local representatives I have sounded informally. I believe from correspondence, meetings and contact with District Councils that this option might attract widespread support. I would welcome, however, the Committee's views on this approach.
12. Currently, there are no powers to enable District Councils to use money raised through the Rates to support a concessionary fare scheme. The Assembly would, therefore, have to be asked to support legislation that would enable District Councils to "buy into" a scheme administered by my Department.
13. In England, the Government is proposing legislation to make it a mandatory requirement for Local Authorities to provide a "National minimum" concessionary fare scheme based on half fare travel for older people with an annual charge of £5 for a concessionary fare pass. In GB at present, some local authorities provide free travel, while others provide no concessions whatsoever. There are a wide variety of schemes and this latest move will help ensure some consistency in approach. Those who wish to provide a better scheme than the "National minimum" will be able to do so. The Welsh Assembly is also considering free travel for older people.

Managing any new arrangements

14. The advantages of the current DRD administered scheme is that it is available across Northern Ireland. In Great Britain, some people experience travel difficulties because concessionary fare schemes are often limited to their local authority area because neighbouring authorities do not engage in reciprocal arrangements.
15. We would need to consider whether or not legislation in Northern Ireland should require all District Councils to contribute to the scheme or to leave this to their discretion. I would particularly welcome the view of the Committee on this matter as I would prefer not to see a situation in Northern Ireland where a segment of the population was denied access because their local council declined to participate.
16. If Councils were to assume a role in this matter, they should expect to pay an amount which relates to the actual amount of travel by older people residing in



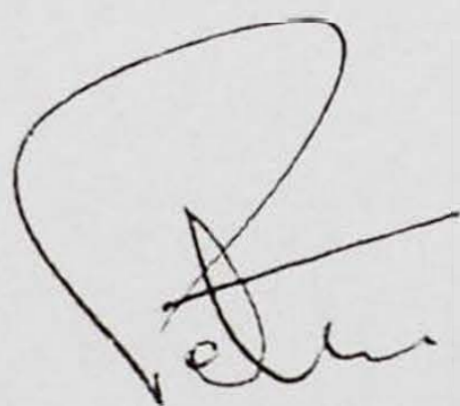
their area. This would not be a simple matter of taking the total cost and making a pro-rate charge for the proportion of the qualifying population in Northern Ireland who reside in each Council area. There are differences in the levels of public transport usage across Northern Ireland and differing levels of public transport provision. Ideally, the data from ticketing machines would provide the answers, but unfortunately some of the technology currently in use would not enable this to be done. Translink intends to introduce new ticketing technology within the next 2 years which will enable accurate calculation of costs. In the meantime, other approaches are possible, similar to those used by Local Authorities in GB, to determine the costs to be met by each under reciprocal agreements. My Department will explore different approaches which would ensure that Councils would be treated fairly.

17. I would also want to monitor any free fare scheme closely to see how it was operating across Northern Ireland. To assist this process, I would favour the introduction of a concessionary fare pass which was renewed periodically for a small administrative charge.
18. The introduction of a new scheme would increase business and revenue for the Translink group of companies and I would, therefore, want to ensure that Translink provided better services and that they introduced measures to make public transport more user friendly for older people. That might mean a package to improve accessibility to services, better information in a format that older people would find useful and improved customer care. Some of the measures that I have in mind could include the introduction of services which meet "Easibus" standards in our major towns; more frequent services in some of the more remote rural areas; indeed, initiating some rural services where none are available; and a free phone "Seniors" helpline for public transport enquiries. I would welcome any suggestions that the Committee care to make about improvements they would like to see happen.

Conclusion

19. I would welcome the Committee's views on how we might make free travel for older people a reality.

Yours sincerely



PETER D ROBINSON
Minister for Regional Development

