

POLICY NOTE

THE NATIONAL BUS TRAVEL CONCESSION SCHEMES (MISCELLANEOUS AMENDMENTS) (SCOTLAND) ORDER 2023

SSI 2023/108

Purpose of the instrument.

This instrument sets out the capped level of funding for the National Bus Travel Concession Scheme for Older and Disabled Persons in respect of the financial year 2023-2024. It also sets out reimbursement rates for bus operators in respect of 2023-2024 for both the National Bus Travel Concession Scheme for Older and Disabled Persons and the National Bus Travel Concession Scheme for Young Persons.

1. The above instrument is made in exercise of powers conferred on the Scottish Ministers by sections 40(1), (3) and (4) and 52(4) of the Transport (Scotland) Act 2005 and is subject to affirmative resolution procedure.
2. Article 12 of the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Order 2006 (S.S.I. 2006/107) (“the 2006 Order”), as amended by the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2010 (SSI 2010/140), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2013 (SSI 2013/114), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2015 (SSI 2015/133), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2017 (SSI 2017/71), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2018 (SSI 2018/98), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2019 (SSI 2019/119), the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2020 (SSI 2020/104), Article 18 of the National Bus Travel Concession Scheme for Young Persons (Scotland) Order 2021 (S.S.I. 2021/175) and the National Bus Travel Concession Schemes (Miscellaneous Amendments) (Scotland) Order 2022 (S.S.I 2022/115), provides for the reimbursement of operators of eligible services for carrying passengers under the National Bus Travel Concession Scheme for Older and Disabled Persons (“the ODPS”).
3. Article 12 of the National Bus Travel Concession Scheme for Young Persons (Scotland) Order 2021 (SSI 2021/175) (“the 2021 Order”), as amended by the National Bus Travel Concession Scheme for Young Persons (Scotland) Amendment Order 2021 (SSI 2021/381) and the National Bus Travel Concession Schemes (Miscellaneous Amendments) (Scotland) Order 2022 (S.S.I 2022/115), provides for the reimbursement of operators of eligible services for carrying passengers under the National Bus Travel Concession Scheme for Young Persons (“the YPS”).
4. This instrument further amends the 2006 Order and the 2021 Order to prescribe the rates and, in the case of the 2006 Order, capped level of funding for reimbursement in 2023-24.

Policy Objectives

5. The ODPS provides an entitlement to free bus travel for people in Scotland who are aged 60 and over, or who meet certain disability-related criteria. In response to surveys, card holders tell us that the ODPS provides them with social and health benefits, including by enabling them to access services and visit friends and relatives more easily. Operators can be reimbursed for the costs of carrying concessionary passengers, in line with the Scheme objective that they are left no better and no worse off through their participation in the ODPS.

6. In line with YPS objectives, operators can be reimbursed for the costs of carrying concessionary passengers in line with the Scheme objective that they are left no better and no worse off through their participation in the YPS.

7. The objective of this Order is to enable operators to continue to be reimbursed for the ODPS and YPS after the expiry of the current reimbursement provisions on 31 March 2023 by setting the reimbursement rates for both schemes and the capped level of funding for the ODPS for the next financial year (1 April 2023 to 31 March 2024).

8. Due to the ongoing impact of Covid-19 on bus passenger numbers and the continuing uncertainty for the foreseeable future it has not been possible to undertake the usual analysis and forecasting that underpins the annual revision of the reimbursement rates and the cap for the ODPS. The funding cap and reimbursement rate for the ODPS for 2023-24 have therefore been retained from the previous year.

9. The Order specifies that in 2023-24 the reimbursement rate for the ODPS will be 55.9% (of the adult single fare). This is the same as the corresponding figures for 2022-23. It is expected that claims in practice will be less than the capped level because of the ongoing impact of Covid-19. Accordingly, the capped level of funding for 2023-24 has been set at £216.2 million.

10. The reimbursement rates for the YPS have also been retained from 2022-23. In 2023-24 the reimbursement rate for the YPS will be 43.6% (of the adult single fare) for journeys made by those aged 5 to 15 and 81.2% for journeys made by 16 to 21 year olds. As in 2022-23, a budget cap is not being set for the YPS in 2023-24.

Consultation

11. The reimbursement rates have been agreed with the Confederation of Passenger Transport (CPT), which represents approximately 90% of Scotland's bus services.

Impact Assessments

12. There are no equality impact issues in relation to renewing the economic parameters of the ODPS or YPS. The ODPS is targeted at older and disabled people. User feedback highlights social and health benefits of the ODPS, including by enabling people more easily to access services and visit friends and relatives. The YPS is targeted towards young people aged under 22. The YPS, which became operational on 31 January 2022, seeks to embed sustainable travel behaviours from a young age and to open up opportunities for young people. This Order enables the ODPS and YPS to continue on the terms detailed above for the next financial year.

13. A Business Regulatory Impact Assessment (BRIA) has been completed and is attached. The impact of this policy on business is to confirm arrangements for reimbursement of bus operators under the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) and National Bus Travel Concession Scheme for Young Persons (Scotland) for the next year at levels which have the objective of leaving them financially no better and no worse off as a result of participation in the Scheme. This is in line with the objectives in article 12(1) of the 2006 Order and article 12(1) of the 2021 Order.

Financial Effects

14. The ODPS has capped levels of funding of £216.2 million in 2023-24. The YPS does not have a cap. As we do not yet have a full year of data from the YPS, the estimated cost of reimbursement for this scheme is around £189.5 million.

Date of Implementation

15. The new rates will be effective from 1 April 2023.

Scottish Government
Transport Scotland

January 2023