## **STATES OF JERSEY**



## CONCESSIONARY BUSFARES FOR THE DISABLED: COSTS TO BE MET BY THE STATES (P.9/2017) – COMMENTS

Presented to the States on 13th March 2017 by the Minister for Infrastructure

**STATES GREFFE** 

2017 P.9 Com.

## **COMMENTS**

Deputy M. Tadier of St. Brelade proposes, in <u>P.9/2017</u>, that the Minister for Infrastructure should not implement a £15 administration charge for disabled bus passes, and proposes that any costs of issuing the card should instead be met from within the Minister for Infrastructure's departmental budget.

Handling applications for the new travel pass brings with it a cost to LibertyBus. There is more to issuing the *Avanchiaccess* pass than a simple push of a button. Compared to the regular unlimited travel and pay-as-you-go *Avanchicards* sold to residents and visitors, there is an extended process which includes the validity of the application being checked. By levying a modest administration fee of £15, in line with that charged for the *Blue Badge* parking permit, additional resources can be employed in order to ensure this additional work can be handled while continuing to provide a high level of service to all customers of the bus service.

This is particularly important during the summer months, when a high level of enquiries, especially from visitors to Jersey, places increased demands upon the customer service representatives in Liberation Station.

Without the application fee, it is probable that an inflated number of applications would be received from persons who, while entitled, do not really need the travel pass, placing a further administrative burden on the bus operator's staff while increasing the costs of production.

This can be illustrated by analysis of usage of the Senior Citizens' travel pass. As of December 2014 there were just over 11,000 such passes in circulation. Nearly 50% (over 5,000) of these passes were used for 5 or fewer bus journeys in 2014. Over 23% of the total number issued (around 2,550) were not used at all throughout the entire year. While the cost of issuing Senior Citizens' travel passes is accounted for within the 2013 Bus Operating Contract, a significant element is associated with issuing passes to those who do not really need them or have no intention of ever using them, and this is ultimately funded by the States.

The States should not be persuaded into providing more blanket benefits. The intention to apply an administration charge, which only covers a proportion of the cost, has been in the public domain since the publication of Ministerial Decision  $\underline{\text{MD-T-2016-0073}}$  and its accompanying report in August 2016 –

"The overhead costs associated with administration will be, in part, met by the income raised from a bus pass administration fee. It is proposed that an administration fee of £15 will be charged for each card issued. The fee, which would be paid on application to the bus operator, is intended to make a small contribution to the costs incurred in relation to administration. By setting the fee at this level it is believed that it will not discourage genuine applicants and potential users of the service, but it could potentially discourage those who have no real intention of using the pass from applying for the pass, as the same level of administrative cost is incurred regardless of whether it is used."

Department of Infrastructure officers and the project manager tasked with developing the travel pass scheme engaged with a wide range of stakeholders prior to its launch, none of whom had any adverse comments about the administration charge.

Table 1 – List of Stakeholders

| Association of Jersey Charities   | Headway                 | JDP                           |
|-----------------------------------|-------------------------|-------------------------------|
| Eyecan                            | Jersey Employment Trust | Age Concern                   |
| Jersey Stroke Association         | Les Amis                | Alzheimer's Association       |
| Jersey Autism                     | Citizen's Advice Bureau | Diabetes Jersey               |
| Jersey Mencap                     | Mind Jersey             | Eastern Good Companions' Club |
| Jersey Cheshire Homes             | Deaf Partnership Board  | Service User Forum            |
| Scope Jersey                      | Jersey MS Society       | Comité des Connétables        |
| Parkinson's Jersey                | Enable Jersey           | Consumer Council              |
| Motor Neurone Disease Association |                         |                               |

Indeed, to date the Department has received no complaints about the fee from disabled persons who are eligible for the scheme since it was initially announced in August 2016.

Adopting the proposition would create an inequality by continuing to levy a fee for the *Blue Badge* parking permit.

Accordingly, the Minister for Infrastructure urges States Members to reject this proposition.