

Public Inquiry Response: “Bus Services Bill”

To: Department for Transport Select Committee

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The Intergenerational Foundation (www.if.org.uk) is an independent think tank researching fairness between generations. IF believes policy should be fair to all – the old, the young and those to come.

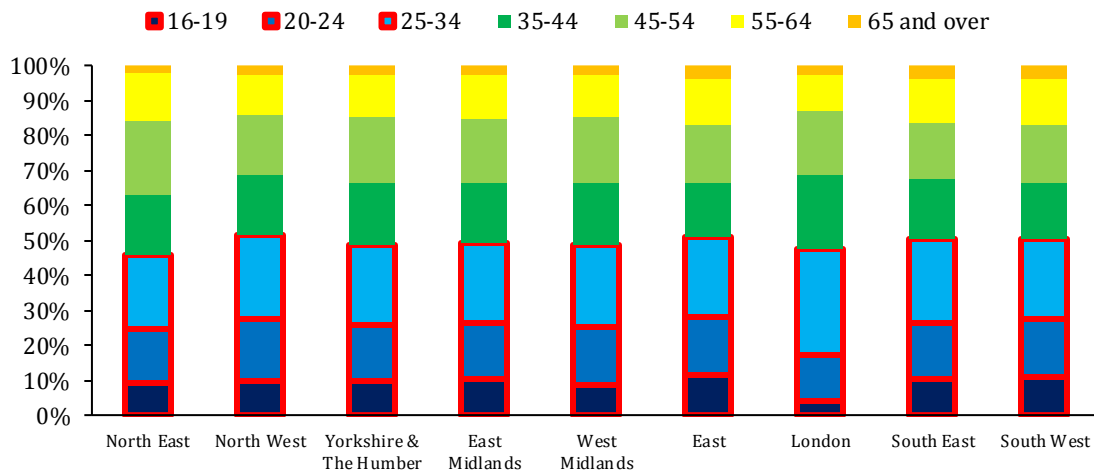
Introduction

The Intergenerational Foundation (IF) is pleased to have the opportunity to comment on the proposed Bus Services Bill. Since it was formed in 2011, IF has played an important role in leading the debate about intergenerational fairness in the UK, and we are regularly consulted by the media and policy-makers on these issues.

IF would like to comment on the Bus Services Bill as we believe that in its current form it fails to address the significant intergenerational unfairness surrounding statutory fare concessions for young people, which was raised by Baroness Jones of Moulsecoomb while the Bill was in committee stage in the House of Lords. In relation to this issue, we would like to make the following points:

1) Young people rely disproportionately on buses

Fig. 1: Share of bus commuters by age group in each English region, 2011 Census



Data from the 2011 Census demonstrate that young people are disproportionately reliant on buses. It showed that in England as a whole, people aged 16–29 accounted for 25% of total commuters, but this age group made up almost 40% of people commuting by bus.¹ Bus commuting is most common among people who are in their late 20s, and becomes less common as people get older. Fig.1 underlines this point by showing bus commuters broken down by age group in each English region. Within each region, people in the 16–34 age group – highlighted in red - account for roughly 50% of the total.

Other data sources indicate that young people are even more reliant on buses than these figures suggest. For example, the 2014 National Travel Survey revealed that almost a quarter of secondary school children travel to school by bus, and this rises to over 50% for pupils whose school journeys are longer than 2 miles.² Now that staying in education or training beyond the age of 16 has been made compulsory, an issue has arisen with travel subsidies which are aimed at schoolchildren only being available *up to* the age of 16 making it harder for people to stay on in school beyond that age.

Young peoples' reliance on buses is also likely to increase because of the decline in driving among the current younger generation; parliamentary research into the "peak car" phenomenon has found that *"the proportion of young adults (aged 17–20) with a full driving licence has decreased since the early 1990s when driving licence holding for this age group was at its highest. In 1995/97, 43% of those aged 17–20 held a full licence, compared with a low of 27% in 2004 and 36% in 2012."*³

The results following Merseytravel's decision to introduce a discounted fare for young people (see section 3) suggests that young people would make even greater use of buses were it not for the inadequacy of service in many parts of the country, which would potentially enable more of them who don't have access to cars to take advantage of education and employment opportunities.

2) Young peoples' fare concessions have been cut back

Although there are subsidised fare schemes for young people operating in many parts of the country, they are run on a voluntary basis by transport authorities and operators and are not protected by statute. This means there is a glaring inequality between the legal status of such schemes and the English National Concessionary Travel Scheme (ENTCS) for older people, which is protected by statute and so cannot be withdrawn by providers.

In 2013, IF published research ([*No entry! Transport barriers facing young people*](#)) which showed that bus concessions for young people had been disproportionately cut back since 2010 as part of local authority austerity measures. This report also showed that bus fares rose by 30% between 2006 and 2013, while young peoples' wages remained flat in real terms.⁴ More recently, research by the Campaign for Better Transport has shown that local authorities in England and Wales have cut £78 million in funding for bus routes and over 2,400 routes have been reduced or withdrawn altogether.⁵ In effect, cutbacks are bound to be targeted at young peoples' concessionary travel schemes when local authorities need to introduce austerity measures because they lack legal protection,

¹ Figures also include people who commute by coach and minibus.

² Department for Transport (2015) *National Travel Survey 2014: Travel to school* London: Department for Transport

³ Hobbs, A. and Harriss, L. (2013) *Peak car use in Britain* London: Parliamentary Office of Science and Technology

⁴ Bourn, R. (2013) *No entry! Transport barriers facing young people* London: The Intergenerational Foundation

⁵ Campaign for Better Transport (2016) *Buses in Crisis* London: CBT

whereas they have to go on providing funding for the ENTCS.

3) Fare concessions for young people could raise additional revenue

The chief argument against introducing concessionary fares is that they represent a drain on the public finances which could go towards funding other things. However, the evidence from one of the most ambitious voluntary concessionary travel schemes in England, Merseytravel's "My Ticket" scheme, suggests that such schemes can actually raise additional revenue through encouraging additional bus journeys which wouldn't otherwise have taken place.

The My Ticket scheme enables passengers aged 5–18 to make an unlimited number of journeys on all bus services in Merseyside and Halton in return for a single ticket costing £2 per day. An evaluation of the scheme's impact suggests that the scheme generates additional journeys, with over 75% of respondents to a user survey saying they made greater usage of the bus network than they would have done in the scheme's absence.⁶ In addition to unlocking new opportunities for young people by making it easier for them to get around, this evidence suggests that a nationwide concessionary travel scheme for the young could also potentially be revenue-raising.

Policy recommendation

In conclusion, IF strongly believes that the Bus Services Bill, in its current form, represents a missed opportunity to introduce a nationwide concessionary travel scheme for young people who depend on buses that would enjoy full statutory protection from cutbacks. Although the Bill would currently enable transport authorities to introduce such schemes if they wish to, this approach is likely to have several problems: a) it will perpetuate the current "postcode lottery" of concessionary travel schemes, with young people around the country having different entitlements depending on where they live; b) in parts of the country, such schemes are likely to cause problems where bus routes cross political boundaries between transport authorities which have instituted them and those which have not; and c) without statutory protection, they will remain vulnerable to cutbacks in the future.

IF recommends that the Bill should be revised to include a statutory requirement for all transport authorities in England to offer a concessionary travel scheme for young people along similar lines to the one which has been pioneered by Merseytravel, under which young people could purchase an unlimited single day's travel for a low fixed fee.

If you would like to learn more about the work of the Intergenerational Foundation please contact:

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⁶ Raymond, I. and Hopley, M. (2015) *My Ticket research and evaluation* Liverpool: Merseytravel