

Local Authority special grant funding for the 2008 national bus concession in England

CONSULTATION RESPONSE FORM

PART 1 - Information about you

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Company Name or Organisation (if applicable)	SIGOMA (Special Interest Group of Municipal Authorities (outside London))
Please tick one box from the list below that best describes you /your company or organisation.	
<input type="checkbox"/>	Small to Medium Enterprise (up to 50 employees)
<input type="checkbox"/>	Large Company
<input type="checkbox"/>	Representative Organisation
<input type="checkbox"/>	Trade Union
<input checked="" type="checkbox"/>	Interest Group – for local government members
<input type="checkbox"/>	Local Government
<input type="checkbox"/>	Central Government
<input type="checkbox"/>	Police
<input type="checkbox"/>	Member of the public
<input type="checkbox"/>	Other (please describe):
<p>If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:</p> <p>We have 46 local authority members - urban authorities in the northern, midland and south coast regions of England.</p> <p>Views have been obtained through meetings with representatives of members organisations eg: councillors, policy officers and accountants and via e-mail.</p>	

If you would like your response or personal details to be treated **confidentially** please explain why:

PART 2 - Your Comments

	1	2	3	4
<i>1. Which distribution option is your preferred formula and why?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Please explain your reasons or add any additional comments you wish to make:</p> <p>SIGOMA is disappointed that DfT has not provided an interactive model enabling variables to be assimilated in other combinations, and their related weightings to be altered. Indeed, the overall funding allocation to an authority is heavily skewed by the weighting applied to each of the variables within each of the options, and provision of a model would have allowed this sensitivity to have been tested. For this reason, we find we are unable to state a preference.</p> <p>However, we would like to make a few general comments on the exemplifications provided:</p> <ul style="list-style-type: none"> - We supports the use of variables such as “Incapacity Benefit and Severe Disablement Allowance” which makes a specific attempt to predict the number of disabled persons eligible for concessionary travel and so acts as a proxy for <u>local needs</u>. Indeed, we would prefer this type of indicator to any that attempts to identify the attractiveness of an area. - We are concerned at the continued use of the “Day Visitors” variable, which is based on data from the early 1990’s, but we also question the appropriateness of the alternative indicator proposed by CLG (at a number of Settlement Working Group (SWG) meetings throughout 2007) for use in this model. <p>Ideally, we would ask for DfT to develop an alternative model constructed from the variables listed in our response to the final question asking for ‘any other general comments’.</p>				

	1	2	3	4
<i>2. Which distribution option is your second preference formula and why?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>Please explain your reasons or add any additional comments you wish to make:</p> <p>As above, we are not able to select an option.</p> <p>To re-iterate, we would have welcomed the opportunity to assess the sensitivity of the funding allocations to any possible change in the variables and their weightings – for example, in Consultation Option 4 “Passenger Journeys on Buses” has a weighting of 58.3%, but a reduction in this proportion could quite radically alter an authorities funding allocation (as well as its preference for that option).</p>				

3. Do you agree that PTAs should be paid the special grant direct?	Yes X	No <input type="checkbox"/>
<p>Please explain your reasons or add any additional comments you wish to make:</p> <p>SIGOMA welcomed the decision to pay the additional funding relating to the national concessionary fares scheme by special grant, and now also supports the direct payment of this funding to the PTAs (leading to a more efficient means of distribution).</p> <p>We believe the direct payment of special grant is necessary given the numerous issues which have surrounded the appropriateness of allocating funding through the formula grant system – for example:</p> <p>a) the difficulty in forecasting where the additional cost burden of the extended scheme will fall (given the degree of uncertainty around changes in liability for existing cross boundary journeys, the unknown generative impact of the national scheme and the unknown changes in distance and destinations of current travellers) and the need to ensure that funding can be isolated to ensure that there is no 'leakage' to groups of authorities that do not provide for bus travel.</p> <p>b) the consequences of providing funding via formula grant would be 'locked in' for the full 3 years of the next multi-year settlement period, possibly to the detriment of many authorities. A special grant allocation could be varied year on year to ensure that the costs and the areas within which they fall are properly identified and provided for.</p> <p>Once DfT are better able to predict the costs of the national scheme (and the areas within which they fall), we would expect the funding to be mainstreamed and rolled into formula grant - we envisage this occurring from 2011/12, for the next 3 year settlement period. However, regard will have to be had to 'leakage' of funding between damping groups, the funding baseline and the degree of scaling (should it still exist) applied to funds that lie above the general grant floor.</p>		

4. Do you agree that a single payment should be made for London?	Yes X	No <input type="checkbox"/>
<p>Please explain your reasons or add any additional comments you wish to make:</p> <p>To maintain consistency across types of authority, and given the reasons outlined in Question 3, we believe that a single payment should be made for London.</p>		

<p>5. Do you agree that payments should be made to a single authority in a county where all authorities concerned within that county agree?</p>	<p>Yes X</p>	<p>No <input type="checkbox"/></p>
<p>Please explain your reasons or add any additional comments you wish to make:</p> <p>Again, where agreement is reached, this would seem the most appropriate course of action.</p>		

If you have any other general comments that you would like to make concerning this consultation, please give them here:

1. We would welcome an interactive model (and related exemplifications) showing how the following variables could be combined:

- Incapacity Benefit & Severe Disablement Allowance (to account for specific local needs)
- Concessionary Passes Issued (to reflect the *possible* volume of trips)

and either

- Passenger Journeys on Buses or
- Net In-Commuters

so as to reflect *actual* bus patronage.

2. We still have concerns relating to the size of the quantum, which has been determined as appropriate for the national scheme by DfT. Indeed, this scheme must be fully funded and we ask DfT for assurance that local authorities/PTAs are given additional funding to cover the costs of the scheme if the administering body can provide evidence to support that the given funding is insufficient.

3. In relation to this consultation, it may be appropriate to consult ATCO (Association of Transport Co-ordinating Officers), their members being responsible for the involvement of their authorities in the provision and promotion of bus services.

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The deadline for responses is: **23 November 2007**.