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*Den Baroness Scott*

## **BUS SERVICES BILL: RESPONSE TO POINTS RAISED IN COMMITTEE**

### Concessionary travel

At second reading and on the first day of Committee you raised concerns about changes to bus services in Suffolk which had resulted in passengers no longer being able to use their concessionary bus pass following a re-tendering of the service by the County Council. In particular you asked if the concessionary travel regulations could be revisited to remove any eligibility thresholds relating to vehicle size.

I can confirm that there are no such thresholds in the current regulations; the size of the vehicle is not mentioned. Rather, the eligibility for concessionary travel or otherwise relates to the type of service being provided. All local bus services are included, but not other types of service which fall outside this statutory definition. Examples of such services are demand-responsive services (which do not follow a set route, run to a published timetable and are not available to passengers waiting at bus stops) and services operated under a permit issued in accordance with section 19 of the Transport Act 1985 (which must not be used for the carriage of members of the general public nor with a view to profit). Further information about these permits can be found at: <https://www.gov.uk/government/publications/section-19-and-22-permits-not-for-profit-passenger-transport/section-19-and-22-permits-not-for-profit-passenger-transport>

I don't think it would be appropriate to extend the national concessionary travel scheme beyond statutory local bus services, not least given the current fiscal circumstances facing both central and local Government. However, all local authorities have the discretion to offer concessions over and above the statutory minimum to their residents, funded from local resources. It is

therefore at Suffolk County Council's discretion whether or not to include the Suffolk Links service in its concessionary travel scheme and, if so, to make appropriate arrangements for reimbursement.

I understand that Suffolk County Council is currently in dialogue with Mid Suffolk District Council to find a way to support the small number of passengers affected.

### Local governance issues

During the Committee debate on Monday you raised the recent Public Accounts Committee (PAC) report on local growth. As you explained, there are a number of comments and a recommendation related to local scrutiny of devolution arrangements, with an underlying concern that local scrutiny committees do not have sufficient independent support to challenge the authority's executive and scrutinise their decisions. The PAC are not, as I understand it, questioning the independence of local authority auditors but rather questioning the scope of their role.

One of the reasons that we have included bespoke auditing arrangements in the Bill is to ensure that the detailed work undertaken is subject to appropriate scrutiny and review which is bespoke and goes beyond what is currently in place for local authorities. As I said in the debate, this aims to ensure that any issues or inconsistencies with the authority's approach or analysis are brought to the attention of decision makers, consultees and the wider public. My view is that this is a step towards addressing the PAC's concerns in relation to bus franchising schemes.

I don't think this legislation is the right place for the Government to implement any wider response to the recommendations of the PAC. But I will work with colleagues in the Department for Communities and Local Government to ensure that we reflect on this particular context as we consider the PAC's report.

Turning to the independence of the auditor, please be assured that I agree with you that perception is important. However, I don't expect it to make any difference to the robustness of the auditor's final report whether or not they have an existing relationship with franchising authority. We can see some benefits in the auditor who produces a report on the franchising assessment having some prior understanding the wider context of the authority concerned – not least in relation to the financial context for franchising and affordability aspects of the assessment. Of course, the individuals undertaking the audit may have a closer relationship with the authority than if the auditor were working with them for the first time. But there are other, similar, behavioural factors that would come into play were the auditor to be working with an entirely new client.

Whilst I am not adverse to considering amendments to the Bill to address your concerns, I am not sure that a different form of words will materially alter the real world outcome. I am though fully expecting this issue to be addressed in the statutory guidance we intend to issue in relation to franchising, where we can, in some detail, fully explain and address the nature of the relationship between the authority and the auditor.

I hope this letter addresses your concerns appropriately and a copy of this letter will be placed in the Libraries of both Houses.

Yours sincerely,



**LORD (TARIQ) AHMAD OF WIMBLEDON**