

Rural Transport Research

An investigation into the cost of bus travel for the unemployed in North East Fife



Rural Transport Research - Concessionary Bus Fare Scheme

Prepared for:
North East Fife Welfare Reform & Anti-
Poverty Group

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1. Background, research objectives and methodology

1.1 Background to project

The Fairer Fife Commission was set up in 2014 to explore the scale, nature and scope of poverty in Fife and the effectiveness of activities aimed at addressing it and to recommend the best way to support people experiencing poverty. It defined a Fairer Fife as:

“A Fife where all residents have the capability to live good lives, make choices and reach their full potential and where all children are safe, happy and healthy.”

The Commission aims to see Fife being poverty free within 15 years. Its report, "Fairness Matters", published in 2015 listed over 40 recommendations to deliver a "significantly fairer Fife by 2030", including making Fife poverty free, affordable (particularly for low income families and those seeking work or recently moved into work) and healthier.

Rural poverty has been identified as a key factor impacting communities across North East Fife. The NEF Welfare Reform and Anti Poverty Group has undertaken participatory research with those with lived experience of poverty in the area. This resulted in the report, Learning and Living in NEF, A dream place to live - for some people!¹. The research was commissioned to support the existing adult learning partnership to plan the programme profile for the North East area of Fife and engaged with residents in the area. The research uncovered a range of hidden poverty in the North East area including fuel poverty, difficulty securing housing and isolation because of lack of money to use public transport. It also found examples of job poverty as a result of seasonal or part time work.

As a result of this, the NEF Welfare Reform and Anti Poverty Group held a rural poverty Conference, in Cupar in 2018, this highlighted several factors which contributed to higher living costs including costs of housing, fuel, transport and food (see copy of Report in Appendix 1). Issues with the availability and cost of travel has also been highlighted by local residents (in the consultations on the North East Fife community plan)² and agencies in the public and third sectors as potentially affecting people's health and wellbeing, as well as creating barriers for those seeking employment. Examples were given of the impact on people's lives, including that of a young carer who takes time off of their school day each week to shop at a budget supermarket near their school before getting the school bus home in order to help the family with the cost of living.

The cost of transport was raised as a key barrier to local residents' accessing services, as well as employment, in the recent public consultation undertaken by Fife Council as part of its review of the Childcare Strategy³. This issue was also raised by participants in this assignment who were incurring costs of up to £239.20 a year in bus fares to attend JobCentres to sign on for their unemployment benefits.

¹ Profession (Emerita) K McCardle, University of Aberdeen "A dream place to live for some people"

² <https://our.fife.scot/northeastfife/>

³ http://publications.fifedirect.org.uk/c64_D.1.AreaLeadershipMeeting-ChildrensServicesPlan2017.pdf

The social isolation heightened by people's inability to access affordable transportation is also recognised in the social determinants of health model⁴ as having a potentially negative impact on emotional health and wellbeing, as well as preventing people from accessing key services needed to address the wider determinants of good health, such as:

- Access to educational, economic and job opportunities
- Access to health care services
- Quality of education and job training
- Access to, and opportunities for, recreational and leisure time activities
- Transportation options.

Following on from the Fairness Matters recommendations and as part of its commitment to addressing health, social and economic inequalities in Fife, the North East Welfare Reform & Anti-Poverty Steering Group (the Group) commissioned research exploring the benefits of additional financial support to the unemployed in NEF for bus travel.

1.2 Research objectives

The North East Fife Rural Poverty Action Plan 2019 - 2021 was approved at the NEF Area Committee on the 19th June 2019. Research to explore the costs and benefits of establishing a scheme of support for bus travel for the unemployed was a key action within the plan. The research aimed to establish:

- How such a scheme would benefit users
- Options for a delivery model
- Costs for delivering the options
- How the scheme would link in with other concessionary transport schemes
- Recommendations for the way ahead.

1.3 Methodology

In order to achieve this, a research programme was developed which focused on:

- Profiling the local North East Fife economy, identifying underlying issues affecting poverty in local communities
- Profiling existing travel concessionary schemes
- Focus groups with potential users of a future concessionary bus fare scheme.

This report sets out the findings from this research as follows:

Section 2 profiles the North East Fife area and its implications for poverty, employment and transport

Section 3 reviews other concessionary travels schemes available in North East Fife

⁴ <http://www.healthscotland.scot/health-inequalities/the-right-to-health/overview-of-the-right-to-health>

Section 4 reviews the issues affecting people who are unemployed or on low incomes in the area and the benefits a concessionary bus fare scheme would bring

Section 5 presents the cost vs benefit analysis of options for a concessionary scheme

Section 6 presents conclusions and recommendations for the future.

2. Profile of the North East Fife area

The North East Fife area has been reviewed in order to profile the types of issues likely to be affecting the local population, the extent of unemployment in the area and the implications of these issues on income levels and poverty. The data outlined below has been sourced from the Office of National Statistics and from the Local Strategic Assessment published by Fife Council in 2018 (see Appendix 2 for a copy of the Assessment).

2.1 Population

North East Fife has a population of just over 74,000 people (74,674), of whom just under two-thirds (62%) are of working age. The area is split into five electoral wards - Howe of Fife, East Neuk, Taybridgehead, Cupar and St Andrews.

The population data suggests that a significant proportion of residents face issues with poverty. The estimated mean gross household income in the area is lower than the Fife average, at £529/week compared to £648/week across Fife.

Household income data for the North East Fife area also indicates that over a quarter of residents (27.5%) are experiencing fuel poverty and just over 1 in 10 (14.5%) are living in poverty. The End Child Poverty Coalition Report in May 2019 also confirmed issues with poverty in the areas, finding that just over 1 in 4 children were living in poverty in St Andrews and 1 in 5 in the East Neuk area.

2.2 Economic structure

Just under two thirds (62%) of the working age population (excluding those in full time education) are economically active. Just over 1 in 5 (22.5%) are aged 65 and above.

The North East Fife economy features a mix of education, tourism, rural, agricultural and fishing industries. The structure of the local economy indicates a significant proportion of the labour force in low paid jobs, with 37% of residents who are of working age in semi-skilled, service or elementary occupations. In addition to this, a significant proportion of people are in part-time employment (18.4%).

2.3 Unemployment

A total of 965 adults of working age were claiming Universal Credit in May 2019. Universal Credit is a government benefit payment designed to help with living costs. It's paid monthly (or twice a month for some people in Scotland), and it can be paid to people on a low income or who are out of work.

Those individuals who are out of work and claiming benefit are required to attend a JobCentre on a fortnightly basis. For unemployed people in North East Fife, the JobCentres are located in Cupar, Dundee, Perth, Leven and St Andrews (see map below).



2.4 Local bus fares

Bus services in North East Fife are operated by Stagecoach East Scotland and Moffat & Williamson. Stagecoach has greater coverage, with Moffat & Williamson offering routes in fewer locations. The routes and ticket prices for adults covering journeys in the North East for both operators area are outlined below:

Operator	Type of Ticket	Areas covered	Cost (return)
Stagecoach	Fife Dayrider	All Fife	£9.20
	Fife Dayrider +	All Fife + Dundee + Perth + Stirling + Falkirk	£11.50
Moffat & Williamson	Fife	St Andrews, Leuchars, Balmullo, Cupar, Tayport, Auchtermuchty, Ladybank	£6.00
Stagecoach and Moffat & Williamson	ABC (all bus companies)	East Fife	£9.00 per day
		Dundee & East Fife	£12.70 per day
	NightRider (after 7pm till 4am)	Fife, Perthshire, Dundee & Angus	£3.00

2.5 Implications

For people seeking employment, the economy in North East Fife relies on sectors which tend to offer low paid jobs such as social care, hospitality, tourism, retail and farming. This

is borne out by the significant numbers of people of working age who are employed in low skilled jobs in the area.

The extent of low paid employment is reflected in the lower than average household incomes and in the extent of poverty, child poverty and fuel poverty which is found in the area. This suggests that household incomes are under pressure, limiting the extent to which income is available to purchase other services, including transportation.

The dominant employment sectors suggest that jobs on offer are likely to be based on shift working which includes evenings, weekends and early morning. Tourism, food and drink and the social care sector are, according to research conducted by the Office of National Statistics, some of the largest users of zero hours contracts, which mean that households experience fluctuating income levels depending on the number of hours worked each week. As well as a lower than average household income in the area, families may also find it difficult to plan their spend due to fluctuations in take home pay.

People who are unemployed in North East Fife are attending one of five JobCentres which cover the area. For those who do not live in the towns in which the offices are located and who have no access to, or cannot afford to operate, private cars - bus services are likely to be the chosen method of transport. Depending on the ticket purchased and the area in which they live, each journey will cost individuals between £3.00 and £12.70. The lowest fare is based on a service which is only available between 7pm and 4am.

Issues with accessibility to services was highlighted in research conducted by the Citizens Advice Bureaux (CAB) in 2015⁵ and 2016⁶ which reviewed local bus provision across Scotland, including a rural location in North East Fife (Auchtermuchty). One of the most important themes identified was the difficulty people had accessing essential services, such as healthcare and work opportunities, using the bus network. It should be noted that the Fife People's Panel survey in 2017 (highlighted in the North East Fife Local Strategic Assessment), reported that 32% of people highlighted access to services as a major issue in their area.

The CAB research also found that:

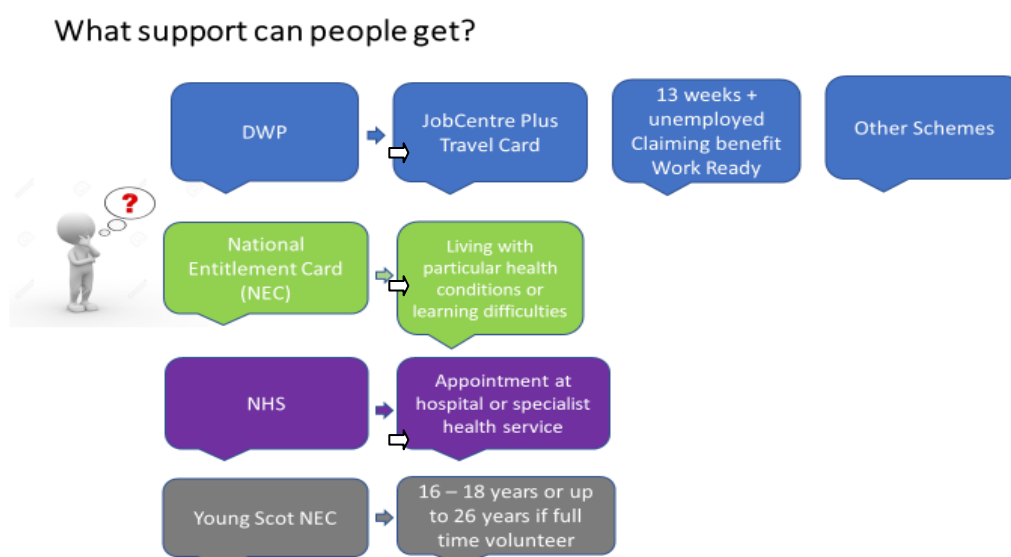
- 38% of locations surveyed had no Sunday service that connected them with local hospitals
- Consumers in the rural areas surveyed face an average 40 minute round trip to access the nearest bank branch
- Residents of rural areas were on average 5 miles from the nearest GP surgery.

⁵ Citizens Advice Bureaux, 2015 "Remotely Excluded

⁶ Citizens Advice Bureaux 2016 "Round the Bend)

3. Concessionary bus schemes in Fife

There are a number of schemes available to unemployed residents in Fife which provide subsidised bus transport, either fully or partly subsidised. The available schemes illustrated in Fig 1 below



3.1 Department of Work and Pensions (DWP)

The DWP offers a number of subsidised travel schemes, namely:

- The JobCentre Travel Card
- Reimbursement of travel for DWP training programmes
- Reimbursement of travel for attendance at additional DWP appointments

JobCentre Travel Card

The DWP operates a national scheme, in partnership with Stagecoach, which offers people who have been unemployed for more than 12 weeks a Travel Card which entitles them to a 50% discount on bus travel for both single and return journeys. The Travel Card is operated by Stagecoach and all administration is undertaken by them.

To be eligible for the Travel Card, each individual must be:

- Over 18
- Unemployed for more than 12 weeks
- Considered job ready by the DWP Job Coach (ie ready to start looking for work).

The Job Coaches should advise people once they reach 13 weeks unemployed that they are eligible for the Card. Each card is valid for a period of one month (with valid to and from dates) and each individual can receive up to a maximum of three cards (3 months subsidised travel).

The ticket type is set up on the Stagecoach system, enabling users to show to the driver to obtain the discount on the tickets. All Stagecoach drivers on all bus routes are trained to be aware of the Travel Card.

For eligible unemployed residents in North East Fife, the JobCentre Travel Card can save them between £4.60 and £6.35 per day for a 12 week period.

The Travel Card is not eligible for people who are under 18, unemployed for less than 12 weeks or who are attending DWP Fair Start, an employability support service.

DWP training programmes

People attending a DWP arranged training programme are entitled to a full refund of their travel costs in attending the programme, including participants in Fair Start. The monies are generally paid as a refund, unless the individual is unable to pay in which cases the DWP could provide a travel warrant to cover the costs.

Attending additional DWP appointment

DWP will not reimburse travel costs for people attending the JobCentre to “sign on”. However, if an individual is required by DWP to attend for appointments in addition to their fortnightly visit, travel costs will be refunded.

3.2 National entitlement card

The National Entitlement Card (NEC) is Scotland’s National Smartcard. This is also known as the Saltire Card or the MyFife Card. Supported by Scottish Government to deliver national and local services, the NEC aims to make it convenient for citizens to access various public services and facilities with only one card.

Through the NEC, individuals who have particular diagnosed mental health conditions, learning disability or a personality disorder and are attending services such as drug and alcohol addiction services, support groups, community mental health services, hospital appointments or clinic appointments can receive free bus travel for a period of 6 months. The Scheme is administered by Transport Scotland, with relevant concessions pre-loaded on to the card following confirmation by mental health services of individuals’ eligibility.

Cards can be issued following an application process. Concessions are removed if individuals do not continue to attend services during the 6 month eligibility period.

3.3 NHS

Patients attending hospital or specialist clinic appointments may be eligible to have their travel costs fully reimbursed and those of any dependent children or a companion if individuals are unable to travel alone. The Scheme known as the Healthcare Travel Costs Scheme (HTCS) is operated nationally across all UK Health Boards/Health Authorities.

Individuals must be referred to hospital or specialist clinics by their doctor, dentist or other primary care professional. Individuals can claim help with travel costs if they or their partner (including civil partner) receive any of the following benefits:

- Income Support
- Income-based Jobseeker's Allowance
- Income-related Employment and Support Allowance
- Working Tax Credit (WTC) with Child Tax Credit (CTC)
- Working Tax Credit (WTC) with a disability element or a severe disability element
- Child Tax Credit (CTC) without Working Tax Credit (WTC)
- Pension Credit Guarantee Credit
- Universal Credit as a single person or member of a couple and whose combined net earnings are less than £435 in the assessment period and where there is no element for a child or limited capacity for work
- Universal Credit as a single person or member of a couple with an element for a child or limited capacity for work and where combined net earnings are less than £935 in the assessment period.

Individuals can also claim for help with travel if they are:

- [Named on, or entitled to, an NHS tax credit exemption certificate \(ie receive CTC, WTC with a disability element, or both, and have income for tax credit purposes of £15,276 or less](#)
- [On a low income and are named on certificate HC2 \(full help\) or HC3 \(limited help\)](#)
- [Living permanently in social work accommodation and do not pay the full rate for the accommodation.](#)

Eligible individuals need printed evidence of their eligibility. Travel costs are reimbursed at the hospital/clinic on completion of a refund claim form. Payments can be made in advance if individuals are unable to pay or they may be eligible for a budgeting advance on their Universal Credit payments.

Support may also be available for individuals who need to travel outwith NHS Fife for treatment.

3.4 Young Scot

Anyone aged between 16 and 25 can apply for a Young Scot Card. Individuals aged between 16 and 18 (inclusive) or a volunteer aged 19-25 can receive concessionary travel. Discounts of one-third off most single adult bus fares across Scotland and most rail fares are available. Rail discounts of 50% of weekly or monthly tickets may also apply.

3.5 Issues with existing Schemes

Whilst some reimbursement of travel costs for people unemployed in North East Fife is available, there are limitations in their application:

- The DWP JobCentre Travel Card, the NHS Healthcare Travel Costs Scheme and the NEC scheme for people with mental health and substance misuse issues require authorisation by staff in the DWP, NHS or other support agencies. Unless the Schemes are well marketed, they are reliant on service staff making individuals aware of their eligibility. Feedback from Stagecoach East Scotland who operate the DWP Job Centre Travel Card in North East Fife, for example, indicated that there were 340 Travel Cards used throughout all East Scotland routes in March 2019. Despite covering all of Fife, Perth and Arbroath, this number is less than one third of those claiming unemployment in North East Fife in May 2019.
- The Schemes are eligible for individuals who meet specific criteria. As a result, there are groups of unemployed individuals in North East Fife who are not eligible for discounted travel, such as people:
 - Who are unemployed for 0-12 weeks
 - Who do not live on a Stagecoach bus route – in North East Fife this is Howe of Fife area
 - Who remain unemployed after their third monthly JobCentre Travel Card expires
 - Without a qualifying health condition (see paragraph 3.2)
 - Attending appointments at GPs or dentists or who need to visit a pharmacy, including those who need to attend a pharmacy with minor ailments
 - Whose personal capital exceeds £16,000 (including their house) – NHS scheme only
 - Who are visiting their children who are hospital in-patients
 - Young people aged 19+ (unless they are a full-time volunteer).

The case study below, provided by Cupar Citizen’s Advice and Rights Fife, illustrates the difficulties people face in accessing services in North East Fife.

Gary lives in Newburgh. After losing his job 6 months ago he was in receipt of Jobseekers Allowance (JSA), Housing Benefit and Council Tax Reduction. His weekly income was £73.10. This just covered his weekly living expenses but meant he had no income to cover any emergencies or unforeseen circumstances. Gary’s elderly mother became very ill and was admitted to Victoria hospital in Kirkcaldy.

There are no direct buses to Victoria hospital from Newburgh which meant that Gary was spending over 90 minutes travelling each way to visit his mother. Gary also had the stress of having to change buses at least once, with one journey involving a change from a bus to a train to a bus. The 21 mile journey was averaging out at £16 return and had left Gary using up his fortnightly JSA allowance before he was due his next payment. Gary attended Cupar bureau for advice and assistance.

In attending the bureau, Gary had walked the 10 mile journey into Cupar as he had no money for transport.

4. Feedback from potential Scheme users

This research is based on qualitative engagement with people who are unemployed in North East Fife. It is an interpretative study to explore local experiences. Quantitative methods would not provide the depth of feedback which was needed to inform this review.

Three focus groups were conducted with 26 individuals who were either unemployed or on low incomes and who could potentially use a future concessionary scheme. It is normal practice in qualitative research to assess the transferability of the findings to a wider community on the basis of the representativeness of the sample of respondents on which the research is based. In this study, the focus groups were conducted in three separate locations with a sample which represented people of different gender, ages and areas of residence. Given the depth and consistency of the responses provided by participants across all three focus groups, validity of the findings and their transferability to the wider NE Fife area are considered to be high.

The focus groups were conducted in Anstruther, Cupar and St Andrews. The groups in Anstruther and Cupar were recruited through the Fife Council Community Job Clubs (see Appendix 3 for information on Job Clubs) and the group in St Andrews was recruited through HomeStart North East Fife, a local third sector organisation.

The purpose of the discussions was to explore their experiences of being unemployed and their travel needs and to determine to what extent costs of travel are impacting on their daily lives, including their health and wellbeing.

4.1 Background to participants

The participants were a mix of males and females, ages ranging from mid-twenties to late fifties. They were living in mixed households, ranging from single individuals, those living with partners, those living with children and one participant was a kinship carer. They had all been unemployed for between two weeks and five months.

Participants were receiving one of the following payments under Universal Credit:

- Standard payment for a single person under 25 of £251.77 per month (approx. £70 per week)
- Standard payment for a single person over 25 of £317.82 per month (approx. £80 per week)
- Joint claimants where both aged under 25 of £395.20 per month (approx £98.80 per week)
- Joint claimants where either aged 25 or over of £498.89 per month (approx. £124.72 per week).

Participants estimated that between 15% and 25% of their income was being spent each month on essential travel. The highest spend was amongst participants in East Neuk with the lowest amongst those in St Andrews.

The discussion explored the impact of travel costs on:

- Looking for employment
- Food shopping
- Signing on for Universal Credit
- NHS trips
- Contact with friends and family.

The discussion also explored:

- Their awareness of support available
- What discounted fares would mean to them
- Their preference for the method of accessing discounts.

4.2 Employment

Participants tended to be looking for work in St Andrews, Dundee, Leven, Glenrothes and Kirkcaldy. The bus routes often dictated where they sought employment, particularly for participants living in the East Neuk and in the villages outside of Cupar. As this interviewee explained:

“It’s a change of bus to get anywhere which makes it a long day and can make it difficult to get to work for a start time. I know there are more jobs in Glenrothes and Kirkcaldy but I can’t get there for a 9am start unless I leave at 6am. So you end up looking in St Andrews and its really only shop work, hotels or restaurants there.... not the best paid”.

The cost of the fares was also highlighted as a barrier to seeking work, as this interviewee explained:

“I had an interview on a Monday in Leven but I sign on there on a Wednesday. I couldn’t afford to travel there twice in one week so I had to ask the employer if I could change the day. It doesn’t look goodyou don’t seem keen on the job which is not true but you can see why employers would think that”

“If you have an interview in Dundee it can cost over £12 to get there from Auchtermuchty”

“Even from Ladybank, it’s £10.70”

It should be noted that the fares quoted were accurate at the time of interview but have increased subsequent to the research.

4.3 Food shopping

Participants in East Neuk and those in villages outside of Cupar also used bus travel to shop for food. They were also combining food shopping with the journeys to sign on to reduce costs:

“It’s too expensive to shop here. All the shops with cheaper food are in St Andrews or Leven. I try to shop for food when I get the bus to Leven to sign on. It means I can get cheaper food but I can only do it once a fortnight when I sign on”

“I need to shop in Lidl, Aldi, Farmfoods etc but they are only in Cupar or Leven. It means I need to fork out more money to get there so I try to go when I am in Cupar to sign on”

“There are only two small shops where I stay....there is no way I can shop locally”

For some participants, their food shopping needs meant that that it was difficult to achieve this in one trip and for these individuals their options were either to shop in the more expensive local shops, take another bus trip to Leven, St Andrews or Cupar or reduce the amount of food they were purchasing.

One participant was using the Foodbank and friends for help with their food needs as they found that, by the end of the month, they had run out of money and could not afford what they needed

“I can only get by with the help of friends....they are giving me food. I do go to the foodbank but I don’t like to do that.... other people might be worse off than me”

4.4 Signing on

The cost of bus fares in the area means that, at the time of the focus groups, individuals could be paying up to £239.20 per year to attend the JobCentre to sign on if using Stagecoach services or £156 per year if using Moffat & Williamson services.

The participants from villages outside of Cupar and from the East Neuk also commented on the cost of travel to sign on and to attend the Job Clubs.

“It costs me £3.50 to get to Anstruther for the Job Club as well as £8.20 to get to Leven to sign on. It’s a lot of money and you can’t claim it back”

“I can’t afford the £8.20 for the extra trips so I ask friends if I can stay over with them to reduce the costs. It’s embarrassing to say the least”

“I take the NightRider, its £3 and stay over on a friend’s sofa so I can get to the JobCentre to sign on”

“It costs a lot just to sign on.... And you can’t not do that. I am spending £12 a month just to sign on”

“It costs me £9.10 to get from where I live into Cupar to sign on”

For one individual, the need to keep money available to pay for travel to the JobCentre was resulting in them having to approach friends and the local foodbank for food.

4.5 NHS trips

Seven of the participants had issues with their health which required them to make regular trips to hospitals in Kirkcaldy, Dunfermline, Perth and Dundee. For these participants, these trips were costing them between £6 and £8.20 depending on the location. None of the participants were aware that they could reclaim their travel expenses, despite all having been referred to the hospitals by their GPs.

“I have had to cancel hospital appointments, depending on when they are. If they are at the end of the month I have no money left so I can’t go. It costs me £9.20 to get to the Victoria Infirmary in Kirkcaldy”

“I’ve had to cancel appointments at Stratheden (mental health services).... I couldn’t afford the fare to go. If you cancel three times they drop you”

Trips to pharmacies were also mentioned by participants in villages outwith Anstruther in East Neuk. There is no local pharmacy in these villages and participants had to travel to Anstruther for the pharmacy. As one participant commented:

“I had to walk 7 miles to get the pharmacy.... I had no money left for the bus”

4.6 Contact with friends and family

For most of the participants, their families lived outwith the area. Discussions with participants indicated that they were restricting visits due to cost.

For some participants, contact with friends was also limited due to cost.

“I can’t really visit my daughter. She lives in Dunfermline and it costs too much to get there so I see her once in a blue moon”

“I don’t see friends very often....I can’t buy them a drink so I don’t want to go out....it’s not fair on them”

Cost of travel also impacted on activities with local family members.

“I look after my grandson. He can get in swimming at Leven because the Council have got family rates but it costs me way more to get him there than it does for the pool entry fee. So we can’t go every week. Even although I know it is good for him”

“I can’t always get to the wee one’s parents night.... It’s another bus fare and I just don’t have the money”

4.7 Awareness of support available

None of the participants in any of the groups were aware that support for travel costs was available for people who were unemployed. Not only were participants not aware of the NHS scheme only one person was aware of the DWP JobCentre Travel Card. This individual became aware of the Card through their local Job Club but was not yet eligible as they were unemployed, at that time, for less than 12 weeks.

4.8 What discounted bus fares would mean

All of the participants indicated that being able to save money on fares would enable them to buy more food. As these interviewees commented:

“If it helped save us £4 to £6 a week then I could get more food. You can get an awful lot of food in Aldi for £4”

“It would be the difference between living and existing. At the moment I have to think every time for everythingcan I afford this? What should I give up to afford it? It gets you down”

“I could stop asking friends and the foodbank for help....I could get my own food...if it wasn't for friends I don't know where I would be”

“If I could get into St Andrews more I could see adverts for jobs. A lot of the shops don't use the JobCentre they advertise in their windows, but you need to be in the town to see them”

4.9 Preferred method of discount

All of the participants hoped that their concession scheme would operate on the basis of a card which they could show to the bus driver. They felt that this was less stigmatising as they would not have to ask for a discounted fare. Some were also worried that the bus drivers might not be aware of the discount if it was not on a card, as this participant explained:

“I have had situations where the bus driver was arguing with me about discount travel vouchers, telling me, in front of everyone, that they were not valid. I was mortified”

Section 5: Options for a concessionary bus fare scheme

5.1 Evidence base

The Department for Transport (DfT) in 2013 conducted a review of the evidence available on the value of the social impacts of bus transport for people on a low income and/or living in rural areas⁷. In this review, the report identified an increased dependency on local transport amongst people in low incomes. The research conducted also established a range of benefits arising from enabling people on low incomes to use local bus services. These included:

- Increased access to employment
- Reduced risk of poor health
- Reduced risk of social exclusion
- Increased access to families and social activities
- Benefits to local economies.

Increased access to employment

Research conducted by the Centre for Social Policy, outlined in the DfT report, suggested that 40% of job seekers highlighted lack of access to public transport as a key barrier to employment.

Reduced risk of poor health

The Marmot Review on a Fairer Society and Healthy Lives in 2010,⁸ a major review into health inequalities in England, identified that people on low incomes tend to have poorer health and have greater need for health and social care interventions in the longer term as a result. The DfT Research found that 44% of people on low incomes found it difficult to get to doctors' appointments or to hospitals for treatment.

The Marmot Review, whose findings have also been adopted in Scotland, also suggested that addressing the factors which prevent those on low incomes engaging early with health services would reduce demand for health and social care services. Improvements in the population's health would arise from improved access to healthcare, education and employment and through improved access to more affordable (and potentially healthier) food supplies.

Reduced risk of social exclusion

The Marmot Review also highlighted the increased likelihood of people on low incomes to suffer from social isolation through being unable to afford transport. Research conducted in 2009⁹ which considered transport initiatives in a range of deprived areas across the UK,

⁷ Department for Transport, 2013 "Valuing the Social Impact of Public Transport"

⁸ <https://www.local.gov.uk/marmot-review-report-fair-society-healthy-lives>

⁹ Lucas, Tyler and Christondoulou "Assessing the value of new transport initiatives in deprived areas in the UK"

found that offering individuals help with travel costs provided an important catalyst for enabling socially excluded people to travel.

Increased access to families and social activities

Linked to issues with social isolation, the DfT research found that people in low income groups often had to withgo visits to family, friends and leisure activities due to insufficient funds to cover the costs of travel.

Benefits to local economies

The DfT research also identified benefits to local economies from enabling people on low incomes to travel through concessionary schemes. Benefits arose through increased shopping trips and/or increased spend in local shops. The increase in disposable income arising from concessionary travel also resulted in increased taxation revenue from increased income to shop owners.

5.2 Assumptions

The proposed options are based on a range of assumptions, as follows:

- The numbers of people who are unemployed in the area is approximately two thirds of those claiming Universal Credit (approx. 600 people)
- People become eligible for the Scheme immediately they register as unemployed with their local JobCentre
- The Scheme offers concessionary travel for a maximum number of journeys, enabling them to make more than one journey per week. This would allow people to use the discount as flexibly as possible
- Concessions will be provided for 12 journeys. This would enable unemployed people to have concessionary travel during the first 12 weeks, should they choose to use one per week, when they are not eligible for the DWP JobCentre Travel Card. This would also mean that people who then go on to receive the DWP Travel Card could have discounted travel (and a higher disposable income) for up to a period of 24 weeks, (almost 6 months), maximising the opportunity for the Schemes to help address health inequalities
- The costs of the Scheme are based on the existing Dayrider ticket (if a printed voucher is used) and ABC multi-operator (if the discount is available through the NEC smart card)

The benefits of each option are based on the following assumptions:

- The concessions are calculated on a 100% discount and on a 50% discount on the cost of travel
- The additional disposable income would have an effect on the spend in the local economy (known as the multiplier effect). This is generally assumed to be 50% of the value of income
- The reimbursement for the concessionary scheme is additional income to the operators and would result in increased VAT revenue (calculated at 20% of the income).

Each of the options assumes the concession is available for travel in NE Fife and Dundee as these cover the areas where the JobCentres are and where employment and education opportunities are available. Options 1 and 2 assume a 100% discount on the DayRider fare, whereas Options 3 and 4 assume a 50% discount.

Options 1 and 3 are based on paper vouchers being printed and issued and Options 2 and 4 assume the concession is uploaded on to the NEC smartcard (which is the preferred option from the focus groups).

Unfortunately the full costs of administering the schemes are not available from existing providers and therefore these costs have not been included in the calculation.

	Option 1 (discount issued by voucher)	Option 2 (discount issues by smart card)
Level of concession	100%	100%
Coverage	NE Fife and Dundee	NE Fife and Dundee
Numbers eligible	965	965
Number of journeys	12	12
Reimbursement to operator for discounted fare	£106,536	£106,536
Administration cost	Not known	£965 (for Smart Card)
Total annual cost	£106,536	£107,501
Consumer benefit (increase in disposable income per person)	£110.40 (over 12 weeks)	£110.40
Benefit to local economy from total increased consumer income	£53,268	£53,268
Tax benefits from businesses from total increased income	£21,307.20	£21,307.20
VAT benefits from additional travel	£21,307.20	£21,307.20
Cost v benefit	£106,536 v £95,882.40	£107,501 v £95,882.40

	Option 3 (discount issued by voucher)	Option 4 (discount issues by smart card)
Level of concession	50%	50%
Coverage	NE Fife and Dundee	NE Fife and Dundee
Numbers eligible	965	965
Number of journeys	12	12
Reimbursement to operator for discounted fare	£53,268	£106,536
Administration cost	Not known	£965 (for Smart Card)
Total annual cost	£53,268	£54,233
Consumer benefit (increase in disposable income per person)	£55.20	£55.20
Benefit to local economy from total increased consumer income	£26,634	£26,634
Tax benefits from businesses from total increased income	£10,653.60	£10,653.60
VAT benefits from additional travel	£10,653.60	£10,653.60
Cost v benefit	£53,268 v £47,941.20	£54,233 v £47,941.20

It should be noted that, at this stage, it is not yet known the full range of intended and unintended benefits arising from how people actually use the additional income which the concessionary scheme gives them. As a result, it has not been possible to calculate the full and longer lasting benefits of the scheme, particularly those which generate health benefits and reductions in demand for statutory health services.

6. Conclusions and recommendations

6.1 Conclusions

The feedback from the participants in the focus groups suggests that the cost of travelling by bus is having a considerable impact on their lives, particularly those in the East Neuk area and those that live in the villages outwith Cupar and St Andrews. There were several examples where the cost of travel has resulted in people having to reduce their travel journeys which have, in turn, compromised their opportunities to seek employment, attend healthcare appointments and see family and friends. There were also examples where travel costs were reducing opportunities to access cheaper food sources or were limiting the amount of food which could be purchased, in one case resulting in a reliance on the local foodbank and on friends for food.

All the population benefits highlighted in the research by Department for Transport and in the Marmot Review were identified by the North East Fife residents who participated in the focus group discussions, particularly improving access to employment, reducing social isolation from families and friends and improving accessibility to healthcare services and food sources. Whilst directly assessing the impact of increased spend on local economies and local services was not a specific objective of this research, the feedback from participants as to how they might use additional disposable income from a concessionary bus fare scheme indicates a likely secondary benefit in terms of increased spend and increased revenue from increased taxation. The impact on demand for health and care services is longer term and potential impact would depend on the length of time the concession was available to individuals.

The feedback from the focus group participants suggests a number of factors which would be important to the success of any future concessionary bus fare scheme in the North East Fife area, namely:

- The concessions can be accessed when people need to make trips. The need for flexibility in when reduced fares can be made available will be vital in enabling people to access services and to make trips for food shopping and to visit family and friends more achievable, as well as more affordable
- The routes on which the concessions are available need to cover as wide an area as possible to enable those in more rural locations, in particular, who have to travel furthest to access affordable shops, health care services and employment. As a result, any future scheme should cover the whole of the North East Fife area
- The concessions also need to be available through more than one operator as operators do not offer bus services across the entire North East Fife area
- The level of concession needs to facilitate an increase in disposable income which is sufficient to allow people to increase their spend on food or to increase the number of trips taken to enable easier access to services.

Any future concessionary bus fare scheme should build on schemes which are currently available to minimise the amount of duplication and to maximise the extent of benefit for

people who are unemployed in North East Fife. There are schemes available to unemployed residents or those in low incomes through the DWP (for those who are unemployed for at least 13 weeks) and from the NHS for those on low incomes or specific benefits. However, these schemes are not widely known and would benefit from being marketed more effectively to eligible population groups.

6.2 Recommendations

Pilot

The findings from this assignment would suggest that it would be beneficial for the Welfare Reform and Anti-Poverty Steering Group to consider introducing the concessionary bus fare scheme as a pilot which would allow fuller examination of how people use the scheme and what benefits (intended and unintended) arise from it.

The pilot could be introduced in a limited way, such as with Job Club users, those attending adult basic education and users of the Foodbank. Given the issues highlighted in this report, the pilot could also focus on residents in the East Neuk area and those in outlying villages near Cupar.

A Tests of Change evaluation following introduction of the pilot would help inform future decision making as to the continuation of the scheme and/or further roll out elsewhere in Fife. This should also include a monitoring system which records not only the uptake of the concessionary scheme but also how people became aware of it. This would help identify population groups and locations where uptake needs to be encouraged should the pilot be extended and also to ensure that the range of information gatekeepers in the area are actively promoting the scheme to eligible people

Raising awareness

Given the lack of awareness amongst the focus group participants in all three areas of the availability of existing assistance with the costs of travel in the area, it would be beneficial to encourage partner agencies to raise awareness of the range of concessionary travel schemes available to residents in Fife, particularly those who are unemployed and/or have low incomes.

Appendices

Appendix 1: Report from Rural Poverty Conference, 6th June 2018