## **Public Transport Division**

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Your reference:

Our reference: INT/07/2019

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Dear Mr Downey

Thank you for your letter, dated 24<sup>th</sup> January 2019 advising that the Belfast City council had passed a motion calling on the Department to:

- extend the eligibility criteria of the Half Fare SmartPass Scheme to include all Universal Credit claimants; and
- to authorise the use of the SmartPass on all public transport services such as Belfast Taxis Community Interest Company and Shankill Road Taxis.

I will address each request separately.

## Extend the eligibility criteria of the Half Fare SmartPass Scheme to include all Universal Credit claimants

The Northern Ireland Concessionary Fares Scheme (the Scheme) provides free and discounted public transport as an important means of reducing social exclusion and, through this, the Executive has supported over 22 million public transport journeys in 2017/18. The Scheme recognises the importance of transport in enabling people to access services, employment and social opportunities.



To facilitate the extension of concessions to those individuals receiving Universal Credit would be a major policy change similar to the decision taken by the Executive to extend the Scheme to individuals aged 60-64 from 2008. Given this position, we believe that introducing this policy change is not a decision a civil servant could take in the absence of Minister although I can assure you that we will bring the motion made by the Council to the attention of an incoming Minister for Infrastructure.

It is worth noting that any incoming Minister would have to consider this request in light of the significant financial pressures that the Scheme faces. The Scheme, in its current structure, continues to cost significantly more than its baseline budget. For example, in the 2017/18 financial year, the baseline budget for the Scheme was £41m whilst the actual cost for the year was £47.5m. Given this, the Department had to bid for additional funding through in year monitoring rounds to ensure full cost of the Scheme was met.

For the current financial year, the Department's baseline budget was again £41m. The actual cost up to January 2019 was £41.3m. Again additional funding was sought through in year monitoring rounds to ensure full cost of Scheme can be met this year.

Any decision by a Minister on extending the Scheme would have to be taken in the round, looking at equality issues across the board as well as affordability considerations.

Authorise the use of the SmartPass on all public transport services such as Belfast Taxis Community Interest Company and Shankill Road Taxis

The Scheme is open to private operators delivering public transport services under a commercial bus service permit. Operators applying to participate on the Scheme are required to meet the necessary application and audit requirements set out by the Department.



It is worth noting that Belfast Taxis Community Interest Company has applied to participate on the Scheme. The Department is currently considering this application however once an operator can demonstrate they meet the criteria to join the Scheme, the approval of a Minister would normally be sought. In the current circumstance, this issue would have to be considered in the context of the Executive Formation and Exercise of Functions Act 2018.

I can however assure you that we will bring the motion made by the Council to the attention of an incoming Minister for Infrastructure.

I hope this letter provides some clarity on these issues at this time.

Yours sincerely

**Chris McLean** 

**Public Transport Division** 



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