

Ieuan Wyn Jones AC/AM  
Dirprwy Brif Weinidog /Deputy First Minister



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

Eich cyf/Your ref  
Ein cyf/Our ref MB/DFM/0070/10

Kirsty Williams AM  
National Assembly for Wales  
Cardiff Bay  
CARDIFF  
CF99 1NA

22 February 2010

*Kirsty Williams*

During Plenary on 27 January I agreed to write to you setting out the reasons why it is difficult to implement a UK-wide free concessionary bus travel scheme for elderly and disabled people at this time.

The Concessionary Bus Travel Act 2007 makes provision for an UK wide scheme and my officials have held discussions with colleagues in the UK Government and the Scottish Government about the potential for a scheme. However, there are significant operational and financial issues that need to be resolved first.

The scheme in England has different entitlements that restrict travel to off-peak periods and exclude a number of different bus services. In addition, the Secretary of State for Transport has recently announced plans to raise eligibility for a free bus pass in line with the increase in the state pensionable age. These changes will need time to settle down. Our scheme in Wales does not have the same travel restrictions and I have no plans to raise the age of entitlement for a free bus pass. In addition, local authorities here have had discretion to allow pass holders from Wales to travel free into and from destinations in England where it would be easier for them to undertake their day-to-day business than if they had to travel longer distances wholly within Wales. As far as I am aware, no such arrangement operates in England. I would not want to support an UK wide scheme that would then reduce the entitlements enjoyed by elderly and disabled people in Wales.

There are also differences in the way that authorities are funded for reimbursing the costs incurred by bus operators. In England, local authorities are funded through the annual Local Government Revenue Settlement. Under these arrangements, some authorities have claimed that the funding received has been insufficient to meet the costs involved. The Welsh Assembly Government reimburses local authorities in full for audited expenditure incurred by them in meeting bus operators' costs, plus a fee for each pass in circulation to meet their administrative costs.

We must also not overlook the significant financial costs for Wales of joining an UK scheme as it is likely to generate more longer distance travel. I would want to be satisfied that any scheme would be affordable in the face of future spending decisions that are likely to be very tight. I recently undertook a detailed review of the existing scheme to ensure that it continues to be affordable and provides value for money.

I am placing a copy of this letter and the exchanges between the Secretary of State for Transport and the Welsh Affairs Committee in the Library.

A handwritten signature in blue ink, appearing to read 'Ieuan Wyn Jones', written in a cursive style.

**Ieuan Wyn Jones**  
Gweinidog dros yr Economi a Thrafnidiaeth  
Minister for the Economy and Transport