

MUNICIPAL YEAR 2010/2011 REPORT NO. 70

MEETING TITLE AND DATE:
Council: 22 September 2010

REPORT OF:
Director of Finance and
Corporate Resources

Contact officer and telephone number:
Richard Tyler Acting Assistant Director
Resources

(020 8379 4732)

E mail: Richard.Tyler@enfield.gov.uk

Agenda – Part:	1	Item:7
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Subject: Amendments to the Greater London Authority Act 1999		
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Wards: All		
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Cabinet Member consulted: Councillor Doug Taylor		
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1. EXECUTIVE SUMMARY

This report sets out an outline of proposals for a new private parliamentary Bill which would amend the Greater London Authority Act 1999 in relation to concessionary fares.

The report asks Council to agree in principle to promote a private Bill which would provide flexibility in relation to travel concessions on railways and would provide for an arbitration mechanism in relation to the cost of the reserve scheme. The decision to proceed will require this to be taken to full meetings of each individual borough council for support

2. RECOMMENDATIONS

That the Council approves the inclusion in a bill to be promoted by Westminster City Council of provisions effecting all or some of the following

3. BACKGROUND

Proposals were issued by London Councils in April 2009 to address two aspects of the current Freedom Pass system:

Railway services:

The scheme currently provides for 24-hour access to TfL run rail services (Underground, Overground and DLR) but access to services on National Rail agreed through the Association of Train Operating Companies (ATOC) excludes the morning peak. When TfL took control of the former Silverlink Metro services in November 2007, London Councils was advised that it had to offer the same times of eligibility as on other TfL rail services. This was a relatively small change. If more franchises are transferred to TfL they will be obliged to offer the same concession on all, either extending the concession into the morning peak on National Rail services – at high cost – or restricting existing access to TfL services.

Reserve scheme:

A further proposal would provide a safeguard over the cost of the scheme for London boroughs in the event of there being no negotiated settlement with TfL. This issue was raised as part of the agreement with the Mayor on the 5-year deal on Freedom Pass and was previously agreed by London Boroughs to be part of a Bill which might be deposited in November 2010.

Both issues would most easily be addressed by private legislation. Under this proposal, London Councils would commission retained legal and parliamentary agents Sharpe Pritchard to draft and deposit a private Bill tackling both issues by amendment to the Greater London Authority (GLA) Act 1999. The Bill would be sponsored by Westminster City Council and deposited in parliament by the end of November 2010 (in time for a first reading in January 2011).

The proposal would allow London boroughs and Transport for London (TfL) to negotiate different eligibility for different railway services (or parts of railway services) operated or managed by TfL. This would be done by an amendment to Section 242(6) of the GLA Act 1999. London Councils would consult on

Councils nor individual boroughs would have a say in how much the scheme would cost or how the costs were to be apportioned.

There is only one opportunity each year to deposit private Bills before Parliament. In order for the Bill process to start in this Parliamentary session, the draft Bill text must be deposited with the House of Commons' private bill office by Friday 26 November. Before the Bill can be deposited every full council must pass a resolution supporting it

Given this requirement there is in practice a very limited timescale to approve this work in time for the final deposit date in late November.

4. ALTERNATIVE OPTIONS CONSIDERED

There are no alternative options. A failure to pass the resolution could potentially result in significant additional costs for London Boroughs

5. REASONS FOR RECOMMENDATIONS

The report asks Council to agree in principle to promote a private Bill which would provide flexibility in relation to travel concessions on railways and would provide for an arbitration mechanism in relation to the cost of the reserve scheme.

The decision to proceed requires approval at full meetings of each individual borough council for support. As such it is recommended that Council approve this report to enable the bill to proceed thereby safeguarding the authority against potential addition concessionary fares expenditure in the future

6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS

6.1 Financial Implications

If the legislation were not amended there is a risk that boroughs would be faced with a choice either of extending the freedom pass into the morning peak on National Rail services at a cost which could exceed £100m or having to reduce the current scheme by removing the concession during the morning

to negotiate different eligibility for different railway services (or parts of railway services) operated or managed by TfL.

6.2.2 An amendment to Schedule 16 of the GLAA 1999 in respect of the reserve scheme will provide a safeguard over the cost of the scheme for London boroughs in the event of there being no negotiated settlement with TfL

6.2.3 In accordance with s.87 of the Local Government Act 1985, the resolution must be passed by a majority of the whole of the members of the council if it is to have any effect

7. KEY RISKS

If the legislation were not amended there is a risk that boroughs would be faced with a choice either of extending the freedom pass into the morning peak on National Rail services at a cost which could exceed £100m or having to reduce the current scheme by removing the concession during the morning peak on the underground, overground and DLR.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for all

The recommendations in the report fully accord with this Council priority.

8.2 Growth and sustainability

The recommendations in the report fully accord with this Council priority.

8.3 Strong Communities.

The recommendations in the report fully accord with this Council priority.

Background Papers

1. Report to the London Councils Leaders' Committee 13 July 2010