

Consultation Responses

Part 1 - Respondent Information Form

PLEASE NOTE THIS FORM MUST BE RETURNED WITH YOUR RESPONSE.

Are you responding as an individual or an organisation?

- Individual
 Organisation

Full name or organisation's name

Colleges Scotland

Phone number

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Postcode

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Email

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The Scottish Government would like your permission to publish your Consultation response. Please indicate your publishing preference:-

- Publish response with name
 Publish response only (anonymous)
 Do not publish response

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this Consultation exercise?

- Yes
 No

Free bus travel for Modern Apprentices

What is it?	Young people undertaking Modern Apprentice frameworks registered with Skills Development Scotland would be able to get free bus travel. The offer might be targeted at those Modern Apprentices under age 21.
What does it mean for me?	If you are a qualifying Modern Apprentice you would be able to get free bus travel.
What will it cost or save?	It would cost approximately £8m per year to provide free bus travel to Modern Apprentices under 21. Applying it to all Modern Apprentices would roughly double that figure.
What is the justification for claimed costs/savings?	There are around 20,300 Modern Apprentices aged 16-20. Based on the travel behaviour of people in this age group and the estimated uptake of the card, this would cost an estimated £8 million per year.

Question 4

Are you in favour of providing free bus travel to Modern Apprentices? Yes No

Should this be targeted at Modern Apprentices under Age 21? Yes No

Is there a better way to provide support to help with the travel costs of Modern Apprentices? Yes No

If so, please specify below.

Please explain your answers.

Colleges Scotland welcomes this consultation, and the proposal to extend concessionary travel to Modern Apprentices. We believe that Modern Apprenticeships are a valuable and important pathway for individuals to gain the skills and practical experience necessary to secure employment, and to add value to their employer's workforce. Colleges Scotland is mindful of the Scottish Government's ongoing review of the 15-24 Learner Journey, and of the efforts made to ensure that post-16 pathways have parity of esteem with each other. The

ambitions of the Commission on Widening Access will only be achieved when individuals consider work-based learning pathways as equal to academic pathways to college or university.

Looking at the income of individuals taking different pathways, is a useful indicator of who might benefit from this policy.

The current minimum wage for apprentices is £3.50/h. This applies to all apprentices under 19, and apprentices aged 19 or over who are in their first year of an apprenticeship (subsequent years should be paid at the national minimum wage for apprentices aged 19+). This means all apprentices in their first year should earn a minimum of £122.50 per week. Given that the apprentice minimum wage applies to all apprentices in their first year, our recommendation would be **all apprentices in their first year should be entitled to free bus travel, regardless of age.**

Individual pay rates are at the discretion of employers, and the Apprenticeship Pay Survey 2016, carried out by BEIS, helpfully breaks down the mean and median hourly rates by sector. It shows clearly that the two lowest paid sectors are hairdressing and childcare, two sectors which are predominantly made up of a female workforce. It would be logical therefore to note that a policy of free bus travel for apprentices would positively impact the experiences of women apprentices for whom access to free bus travel would release proportionally more of their income.

Whilst it is noted that extending free bus travel to all modern apprentices would approximately double the cost of provision, the Government may wish to consider whether extending free bus travel to all modern apprentices, regardless of age, could act as a positive unintended consequence to incentivise more individuals to consider an apprenticeship route when looking to gain skills, or upskill themselves.

Are there any other issues you wish to raise which are not covered above?

Whilst reviewing this provision, Colleges Scotland would like to highlight that students studying at Further Education (FE) level (SCQF level 6 and below) do not receive student support by entitlement. An FE student aged 16-18 would likely receive only a £30/week Education Maintenance Allowance (EMA) which is means tested, and only awarded to those who have a household income of under £26,884 with more than one dependent, or £24,421 with only one dependent. An FE student aged over 18 can be awarded a student support bursary, but this is at the discretion of their college. The maximum means-tested bursary that an FE student would receive is £97 per week, which is substantially lower than even the minimum income of an apprentice.

Whilst colleges - funded by public money - can provide travelling expenses to students who meet specific criteria, reviewing the notes accompanying this consultation that the reimbursement rate to bus operators is 56.9% of the adult single fare for 2017-18, on balance it may make financial sense to award all FE students who are entitled to student support free bus travel. Our recommendation would be that **a feasibility study, including analysis of any potential saving to the public purse, should be carried out to look at introducing free bus travel to students studying at further education level.**

Question 6

Do you have any other comments about any of the issues raised in this consultation? Yes No

If so, please use the box below to provide details.

My comments:

Part 3 - Assessing impact

Equality

1 In considering possible changes to the National Concessionary Travel Scheme in Scotland the public sector equality duty requires the Scottish Government to pay due regard to the need to:

- eliminate discrimination, victimisation, harassment or other unlawful conduct that is prohibited under the Equality Act 2010;
- advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people who share a relevant protected characteristic.

1.1 These three requirements apply across the 'protected characteristics' of:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- race;
- religion and belief; and
- sex and sexual orientation.

1.2 At this early stage it is difficult to determine whether significant effects are likely to arise and the aim of the Scottish Government is to use this Consultation process as a means to fully explore the likely equality effects, including the impact on children and young people.

1.3 Once completed the Scottish Government intends to determine, using the consultation process, any actions needed to meet its statutory obligations. Your comments received will be used to complete a full Equality Impact Assessment (EQIA) to determine if any further work in this area is needed.

Question – Equality Impacts

Are there any likely impacts the proposals contained within this Consultation may have on particular groups of people, with reference to the 'protected characteristics' listed above? Please be as specific as possible.

Given the gender pay gap which pervades across society, and which is acute at apprenticeship level, the introduction of free bus travel may have proportionally

greater impact on female apprentices, particularly those in areas of employment dominated by women.

Question – Children and young people

Do you think the proposals contained within this Consultation may have any additional implications on the safety of children and young people?

No

Business and Regulation

1.4 A Business and Regulatory Impact Assessment (BRIA) will analyse whether the proposals are likely to increase or reduce the costs and burdens placed on businesses, the public sector and voluntary and community organisations.

Question – Business impacts

Do you think the proposals contained in this Consultation are likely to increase or reduce the costs and burdens placed on any sector? Please be as specific as possible.

Privacy

1.5 A full Privacy Impact Assessment (PIA) will be conducted to ascertain whether our proposals on delivering a consistent approach to the Scheme may have an impact on the privacy of individuals.

1.6 At this early stage it is difficult to determine whether significant privacy impacts are likely to arise and the aim of the Scottish Government is to use this Consultation process as a means to fully explore the likely privacy effects.

Question – Privacy impacts

Are there any likely impacts the proposals contained in this Consultation may have upon the privacy of individuals? Please be as specific as possible.

No

Transport Scotland
2017

Options not favoured by the Scottish Government

A number of those with whom we have engaged in preparing this Consultation indicated a first preference for maintaining the current age of eligibility or, if changes had to be made, for alternative approaches to be taken. For a variety of reasons the Scottish Government is not minded to adopt these but they are listed below for information: -

1 Requiring card holders to make a small financial contribution towards the cost of each concessionary journey.

A fixed contribution of, say, 20p, 50p or £1 would be required to be paid for each journey undertaken. This would be relatively simple to implement and would generate significant savings. For example, a contribution of 20p per journey could save up to £17 million annually if applied to all concessionary passengers, including disabled bus pass holders as well as those qualifying on age. (Requiring a contribution only from non-disabled pass holders would reduce savings by about 10%.)

2 Levying an annual charge for access to free bus travel.

The journeys themselves would be free but there would be a fixed annual fee, for example £10 or £20. In effect, this would be like having an annual very low cost season ticket valid on all buses. Based on current usage, annual savings could be up to £13 million with a £10 charge and proportionately more for higher charges. Excluding disabled bus pass holders from the requirement to pay a charge would reduce savings by about 10%.

The Scottish Government does not favour either of these two options because they would not be consistent with the commitment set out in the Programme for Government 2016-17 to provide free bus travel for older and disabled persons. Option 1 could additionally lengthen boarding times and Option 2 would require new administrative arrangements, for example to issue reminders and process forms.

3 Restricting use of a bus pass during peak travel times.

Limiting the use of the bus pass to off-peak travel might save costs by encouraging people to travel at times when bus services tend to be less busy. This can reduce costs for bus operators and possibly alleviate overcrowding at peak times. However savings might be limited if people simply travel at different times and there could be delays to boarding times if disagreements arise over whether a journey is peak or off peak.

4 Having a cap on the value of individual journeys which can be free.

For example, all journeys made in a year up to an overall limit, such as £250, would be free. Travellers would have to pay for any additional journeys beyond this point until the end of the year. The level of savings would depend on the limit set but such an arrangement would allow costs to be controlled without the need for the present reimbursement capping arrangements. However new systems would be required to administer such an arrangement, including enabling passengers to tell easily how much travel they were still entitled to.

The Scottish Government is not minded to pursue either of these options at this time given the potential implementation and operational issues.

You may wish to use the box below to provide comments on these or any other way in which you believe the long-term sustainability of concessionary travel could be achieved, as well as other comments you may wish to make for improvements to the scheme.

My comments: