



Mr Nick Ramsay AM
Chair, Public Accounts Committee
National Assembly for Wales
Cardiff Bay
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27 June 2019

Dear Chair

Public Accounts Committee: Consideration of Wales Audit Office report on The Welsh Government's youth discounted bus fare scheme – MyTravelPass

During the Public Accounts Committee evidence session on 20 May, we agreed to provide the Committee with further information in a number of areas. These were:

- the number of active, live and unused MyTravelPasses, as well as figures for the uptake amongst the new age bracket;
- details of the compensation mechanism used to reimburse bus operators; and
- details of the revised budget for the scheme after it was extended to include 19-21 year olds, and the analysis that informed the revised budget.

The number of active, live and unused MyTravelPasses, as well as figures for the uptake amongst the new age bracket

As at 9 May 2019, there were 17,795 live MyTravelPass passes (valid for travel) split between 16,961 for 16-18 year olds and 834 for 19-21 year olds.

Of these 17,795 live passes, 2,287 distinct passes were used to purchase tickets where the sale was recorded electronically (2,226 passes belonged to 16-18 year olds and 61 by 19-21 year olds). In all, 29,344 smart tickets were purchased, some of which will have been valid for multiple journeys. Unfortunately, as not all ticket purchases are recorded electronically, it is not currently possible to identify the number of unused passes.

Details of the compensation mechanism used to reimburse bus operators

Since 1 April 2017, we have continued to compensate bus operators in arrears at a one-third discount of the appropriate adult fare charged by each local bus service provider, for carrying 16-18 year olds initially and for 16-21 year olds following the raising of the upper limit. Once claims are received from operators, valid claims are reimbursed within 14 working days.

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Details of the revised budget for the scheme after it was extended to include 19-21 year olds, and the analysis that informed the revised budget

The Minister for Economy and Transport has approved funding of up to £2m (exc. VAT) in 2019-20 for continuation of a discounted bus scheme for younger persons, including administration costs and marketing & promotion for the extended age range of 16-21 year olds.

The estimated annual impact of extending the upper age of eligibility to 21 years old for a one third discount was based on the following assumptions (using ONS data):

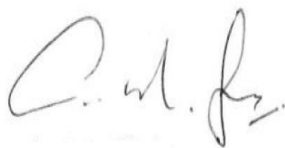
Maximum age	16-18	16-21
Eligible population	101,541	223,366
Estimated take-up rate	12%	12%
Estimated number of passes annually	12,185	26,804
Estimated number of trips per pass annually	110	110
Estimated number of annual trips	1,340,341	2,948,341
Average compensation per trip	0.6	0.6
Estimated cost	£804,205	£1,769,059

Note:

- The take-up rates and average compensation rates for the 16-18 year olds provision were the basis for estimating average journey rates for the extended age ranges.
- The estimated cost for 16-21 years olds in the table excludes additional administration costs and marketing & promotion of up to £150,000 for the extended age range, which will be met within the approved funding of £2m.

Please do not hesitate to contact me should you require any further information.

Yours sincerely



ANDREW SLADE
Director General
Economy, Skills and Natural Resources