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| Taxicard Scheme Progress Report | | | | | Item No | 09 |
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| Report by: | Tony O’Connor | Job title: | | Mobility Services Manager | | |
| Date: | 23 March 2016 | | | | | |
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| **Summary** | This report informs the Committee of the Taxicard trip budget projected outturn for 2015/16; provides the outcome of the research into the reasons for the reduction in Taxicard journeys in recent years and provides an update on the introduction of charging for replacement Taxicards. |
| **Recommendations** | Members are asked to:   1. Note the Taxicard trip budget projected outturn for 2015/16 based on data to January 2016 2. Note the outcome of the research into the reasons for the reduction in Taxicard journeys in recent years, and endorse the officer responses to the report’s recommendations 3. Note the update on the introduction of a £10 charge for lost and damaged Taxicards |

**Background**

1. A report went to this Committee in October 2015 covering a Taxicard budget update, research into the decline in taxicard trips and a proposal to charge for replacement Taxicards. This report provides an update on these items.

**Taxicard Budget Projected Outturn 2015/16**

1. The Taxicard trip budget is £12.285 million, with £9.63 million funded by Transport for London (TfL) and £2.66 million from the boroughs.
2. In the ten months from April 2015 to January 2016, 4% fewer trips were taken than in the same period in 2014/15. This has resulted in a projected underspend in the budget in all but three authorities; the City of London, Kingston upon Thames and Merton.
3. The current estimated spend is £10.90 million. The main projections are:
   * Combined borough underspends of £1.15 million. Any underspends will be refunded to boroughs at the end of the financial year.
   * Three authorities have projected overspends of £20,316
   * A TfL underspend of £0.25 million, which will be refunded to TfL at the end of the financial year

1. These figures are subject to monthly fluctuations in the number of trips taken throughout the year and the actual spend could be higher or lower, but they are indicative of the likely outturn.
2. TfL has agreed to provide funding for Taxicard for 2016/17 and discussions are underway with them regarding funding beyond next year, which is likely to be linked to the outcome of their Social Needs Transport review.

**Taxicard Usage Review**

1. It was reported to this Committee in October 2015 that a consultant, eo consulting, had been employed to examine why Taxicard usage has declined in recent years. Its brief was as follows:

* Identify the reasons for the continuing year on year decrease in the number Taxicard trips taken and assess whether there are any appropriate measures that need to be taken based on the results.
* Examine customer expectations: What do members expect from the scheme and what is most important to them?
* Examine members’ overall Door to Door (D2D) transport needs.

1. Eo consulting has now produced a comprehensive report covering its main findings and has made a series of recommendations.
2. 389 Taxicard holders who had been identified as using fewer trips than in previous years were interviewed as part of the study. Eo consulting also consulted borough officers in nine boroughs, TfL, CityFleet (the main Taxicard contractor), Transport for All and they attended three borough mobility forums.
3. A summary of the main findings can be found below:

**Reasons for Decline**

* There are a range of reasons for the decline in trips (see Chart 1 below), but no one overriding reason was given. Many of those surveyed stated that they had not consciously reduced their trip making; it had just been a gradual reduction year-on-year, linked to reducing mobility. The main reasons are:
  + 49% said Taxicard no longer met their needs. However, this group did not use the scheme less due to concern about the service; 75% of this category said there was a deterioration in their mobility impairment or physical well-being, making it more difficult for them to travel generally and they went out less and 25% because of a change in personal circumstances
  + 53% of members who were using their Taxicard less stated that they were not going out as much.
  + 20% was because of concerns over the cost of journeys. 34% responded that the subsidised fare did not enable them to travel where they needed to get to. 52% of the 34% (i.e. 18% of the total) stated this deterred them from making the trip again
  + 28% was because of a perception that performance in terms of reliability of service had worsened
  + 14% said they used other transport instead
  + 11% said for other reasons (not specified)

Chart 1

1. Nearly half of the 14% who now use other transport instead use public transport more, 21% travel more with family or friends, 16% use a mobility scooter, 16% use Non-Emergency Patient Transport Services (NEPTS) and 5% use ‘other’ door-to-door services. See Chart 2 below.

Chart 2



**Customer Expectations**

1. The survey showed that customer satisfaction with the scheme is high, with 83% stating that Taxicard met their expectations and 75% were either extremely satisfied, or very satisfied. The consultant did think, however, that some answers were influenced by concerns expressed that Taxicard might not continue or that their survey responses might impact on their personal use of the scheme. Either way this suggests that the majority of users value access to the scheme.
2. The most common journey purpose is for hospital appointments, at 62%, for which the scheme was not originally designed. A further 56% used their trips for shopping, 43% to attend doctor appointments with 36% for recreational and 36% for visiting family and friends. See Chart 3 below.

Chart 3

1. The door-to-door nature of the scheme was the most important element, with 81% answering ‘*It picks me up from where I live’* and 77% stating ‘*It takes me straight to where I want to go*’. 77% use Taxicard instead of other transport due to mobility problems, with 50% due to ease of use and flexibility. Many members reinforced the point that the service allowed them to get out and was therefore a lifeline. Approximately 20% had either no alternative or inadequate alternatives means of travel.
2. When members were asked what changes would encourage them to make more trips, 36% stated that there were no changes; their reduction in usage was not related to any aspects of the scheme per se. 22% wanted more trips, 19% a more reliable service. 15% would like to travel further without paying more and 12% stated a lower minimum charge.

**Members’ Overall Door to Door (D2D) Transport Needs**

1. 91% of those surveyed stated that the mix of door-to-door transport available met their needs. Chart 2 above shows the other forms of transport used. However, the report stresses that this response will have been influenced by the fact that a significant number stated that they are now simply less mobile and do not travel as much on any transport.

**Stakeholder Views**

1. A number of borough officers were interviewed as scheme and they expressed their concerns as scheme commissioners. These are listed below:

* Most Boroughs are keeping the scheme sustainable within existing budget
* Boroughs where usage has been maintained are where the scheme is actively promoted and/or the user charge/subsidy have been retained at the pre-2011 level
* Many Boroughs do not promote the service and there is a lack of awareness amongst residents
* There has been a noted shift by users to mainstream public transport
* Concerns over the purpose of the service for health-related trips
* Double swiping having a significant impact on costs. This is because members may take longer trips when they can use two subsidies during a journey that they may not take otherwise.

1. A number of Mobility Forums were attended and members’ main concerns were reliability, punctuality, cost and having enough trips available each year. The main improvements they would like to see are a more assured booking process, efficient journeys with consideration of the impacts on the charge due to congestion, a range of Private Hire Vehicle (PHV) improvements, the need for availability/waiting time solutions and cheaper journey options.
2. Transport for All expressed concern about a lack of affordability, chargeable waiting time, variability in trip entitlement and eligibility criteria between boroughs and the requirement to secure electric wheelchairs as a condition of using Taxicard. Their suggested solutions include

* Protection of the scheme and its funding in the face of increasing taxi fares
* Reinstatement of the historic subsidy and removal of double swiping restrictions
* Active promotion of the scheme
* New approaches to enable the scheme to evolve but be made affordable

1. Transport for London (TfL) highlighted its *‘Roadmap for Future Provision’ document, which* proposes greater consistency, aligned to the recommendations of the London Assembly. With regards to Taxicard, this includes working towards a single consistent set of eligibility criteria, a single application, booking, customer complaints and feedback processes, a wider integration with other social needs transport and development of a driver training qualification for private hire providers. These objectives were also reflected in TfL’s Social Needs Transport Review document, which was presented in a report to this Committee in October 2015.
2. CityFleet believes that the decrease in trips could potentially be attributed to funding cuts, rising costs, usage inflexibility, service issues and changes in personal circumstances.

**Conclusions and Recommendations**

1. Most members are highly satisfied with the Taxicard scheme; find most drivers excellent and the Call Centre always helpful. For many, the scheme is their only means of getting out and about. The combination of a significant number of disabled and older Londoners continuing to have difficulty using public transport and the high level of member satisfaction with Taxicard makes it an appropriate and desirable scheme to fund, maintain and develop. The predicted demographic growth in older and disabled Londoners is likely to lead to increased demand in itself. However, many disabled Londoners are not aware of Taxicard and few Boroughs actively promote the scheme.
2. As no single issue has led to the decline in Taxicard trips, a package of recommendations is included in the report. The consultant considers that the introduction of these measures will deliver significant user benefits and improve service quality and reliability, but acknowledges that there would be a range of impacts on boroughs, and that an impact assessment would be needed, particularly from a financial perspective, before some elements are introduced.
3. The recommended package of measures is summarised below. A response is included below each one. In many cases it is felt that significant changes to Taxicard cannot be considered in isolation from TfL’s Social Needs Transport Review and more certainty on the future of how Taxicard may be integrated with Dial a Ride and other door to door Transport. Work is continuing with TfL to develop their proposals and a report will be presented to this Committee in June.

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| **Strategic** | | |
| 1 | Core strategy | * Develop Taxicard’s role within the wider door-to-door transport strategy, including clarity and consistency over use for health-related trips. |
|  | London Councils’ response | This will be considered as part of the work with TfL on the Social Needs Transport Review. |
| 2 | Scheme funding | * Review the funding structure and methodology so that the scheme is sustainable over the longer term. |
|  | London Councils’ response | This will be considered as part of the work with TfL on the Social Needs Transport Review. |
| 3 | Scheme users | * Research new member use/non-use of the scheme. |
|  | London Councils’ response | It is not felt that further research on this particular group is necessary at present pending more certainty on the future nature of the scheme and its potential integration with other services. |
| **Service consistency** | | |
| 4 | User interface | * Develop common Taxicard eligibility criteria, application process, booking and complaints process, as set out in the TfL Social Needs Transport Roadmap, with complainants advised of the outcome. |
|  | London Councils’ response | This will be considered as part of the work with TfL on the Social Needs Transport Review, as common criteria and processes may be extended to other schemes. |
| 5 | Consistency of service | * Subject to an impact assessment and available funding, develop a common standard for Taxicard trip entitlement, (and a consistency in the banding model if that is preferred) member charge, Borough subsidy and double swiping across London. * This should look to offer greater flexibility to the user in the use of their allocation. |
|  | London Councils’ response | This will be considered as part of the work with TfL on the Social Needs Transport Review. Any standardisation may lead to additional costs to boroughs and will need to be developed as part of any potential future integration with other door to door schemes. |
| **Operational** | | |
| 6 | Publicity/promotion | * Introduce a campaign to promote greater knowledge of Taxicard. |
|  | London Councils’ response | All boroughs should have information about Taxicard on their websites, but pending the work with TfL on the Social Needs Transport Review, it is not anticipated that an active campaign will be carried out. |
| 7 | Reliability | * Develop improved journey allocation system for black cabs to better guarantee vehicle availability for each booking. * Improve vehicle availability for wheelchair users. |
|  | London Councils’ response | London Councils has been working with CityFleet to introduce scheme improvements.  They are introducing ‘Future Bookings’ to their allocation system, which will allow taxi drivers to see bookings further in advance of the journey, which should lead to fewer being sent out just before the journey.  More private hire companies are being recruited  More information will be gathered on members’ wheelchair needs and more specialised vehicles are being sought that can accommodate larger wheelchairs, although these must continue to be legally secured. |
| 8 | User affordability | * Subject to a financial impact assessment, review member charge, Borough subsidy and double swiping so as to develop a more affordable scheme for the user. * Deliver a significant expansion of the taxi fixed price scheme and/or consider other measures to mitigate impact of waiting/boarding time and traffic congestion on trip cost. |
|  | London Councils’ response | Borough charges have been set for 2016/17, but future changes will be linked to the work with TfL on the Social Needs Transport Review and a review of affordability.  CityFleet is introducing new taxi fixed price fares on a monthly basis and is exploring the potential for extending these to longer journeys. Any other changes to taxi costs will be linked to the Social Needs Transport Review, and a review of charges to a possible future integrated door to door scheme. |
| 9 | PHV service quality | * An improved driver training programme as a condition of contract, as set out in the TfL Social Needs Transport Roadmap, to include better disability training and knowledge of the geographic area/s covered. * Provide greater consistency of PHV provider to user. * Improve PHV provider/driver to user communication for individual journeys. |
|  | London Councils’ response | London Councils supports any measures by TfL to improve PHV driver training and will work with them to improve training programmes.  Discussions will be held with CityFleet to consider any other measures that can be introduced to improve the customer’s experience when using PHVs. |

1. The full eo consulting report can be found on the Taxicard website via this link – <http://www.londoncouncils.gov.uk/node/28818>

**Charging for Lost and Damaged Taxicards**

1. Following agreement by this Committee in October 2015 to introduce a £10 charge for lost and damaged Taxicards; the charge was introduced on 30 November 2015. The implementation has gone smoothly with very few complaints from members about the charge.
2. From 30 November 2015 to 29 February 2016 a total of 565 Taxicards replacements were charged for. These are broken down as follows:

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| **Payment Type** | **Number** | **%** |
| Credit / debit card | 510 | 90.27% |
| Cheque | 28 | 4.96% |
| Postal order | 25 | 4.42% |
| Cash | 2 | 0.35% |
| **Total** | 565 | 100.00% |

1. An estimate of £36,000 in annual income was anticipated in advance of charging. Income to date is £5,650, but two of the three months have been non-typical months (December and February). However, it is probable that there will be about 200 chargeable replacements per month, suggesting that £24,000 is a more likely annual figure.
2. The most likely reason for the lower than expected income from replacement charging is because some members are having another look for their lost Taxicard once they become aware of the charge, and in some cases are finding them.

**Financial Implications for London Councils**

1. The Taxicard budget is forecast to underspend by £1.4 million in 2015/16, based on trips to January 2016, with refunds forecast to be made to 18 contributing boroughs and TfL. The three boroughs projected to overspend have confirmed they will cover any actual overspends.
2. TEC members approved an income budget target in December 2014 of £36,000 for replacement Taxicards in the approved budget for 2015/16. The delay in implementing this proposal has resulted in a projected reduced income of £8,000 in 2015/16, leaving a projected shortfall of £28,000. This was reflected in the Month 9 budget monitoring report presented to the Executive Sub-Committee in February; which reported a forecast surplus position for the year of £562,000.

**Legal Implications for London Councils**

There are no legal implications.

**Equalities Implications for London Councils**

The Taxicard scheme provides subsidised trips in licensed taxis and private hire vehicles to London residents whose severe mobility or visual impairments make it very difficult for them to use mainstream public transport. The scheme plays an important role in reducing their social exclusion.

Any discussions with TfL on the future integration of door to door schemes must ensure Taxicard members are not disadvantaged as a result of any scheme changes.

**Recommendations**

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| Members are asked to:   1. Note the Taxicard trip budget projected outturn for 2015/16 based on data to January 2016 2. Note the outcome of the research into the reasons for the reduction in Taxicard journeys in recent years, and endorse the officer responses to the report’s recommendations 3. Note the update on the introduction of a £10 charge for lost and damaged Taxicards |

**Background papers**

Taxicard Scheme Update (15 October 2015, Item 8)