



Freedom Pass Update

This briefing provides updated information on restrictions on the use of Freedom Passes at busy times; the cost of the Freedom Pass Scheme in 2020/21 and flexibilities granted to non-TfL buses during in response to Covid-19.

Background

The Freedom Pass scheme ordinarily provides free travel for older and disabled London residents on all Transport for London (TfL) travel modes (buses, London Underground, London Overground, TfL rail, DLR and trams) 24 hours a day, and on most National Rail routes after 9.30am Monday to Friday, and at any time on weekends and public holidays. It also allows travel on local buses anywhere in England.

Restrictions on the use of Freedom Passes on the TfL network at busy times

Restrictions on the use of Freedom Passes on the TfL network at busy times were announced as part of TfL's financial support package from Government. Clarification on this point has now been received.

The changes, which are to be introduced on Monday 15 June, have been designed to fulfil the terms of the funding agreement with Government and will help conserve space on public transport for people who need to use it to return to work.

- The Older Person's Freedom Pass and 60+ card remain valid after 9.00am on weekdays and at all times at weekends.
- Disabled Freedom Pass holders are unaffected and will still be able to travel at all times using their pass.
- All passengers are reminded to only use public transport if absolutely essential and maintain two metres social distancing wherever possible.

Passengers with an Older Person's Freedom Pass, 60+ Oyster photocard or English National Concessionary Scheme pass will not be able to use those passes during morning peak hours in order to help support social distancing on the public transport network and control the spread Covid-19.

From Monday 15 June, changes to the ticketing system will mean these cards are automatically set to no longer be valid during the morning peak period (4:30-9:00am) Monday to Friday. They will continue to be valid at all other times on weekdays and all day on weekends and Bank Holidays.

Passengers with a Disabled Freedom Pass are unaffected and will, as usual, still be able to travel at all times using their Freedom Pass, if they have to use public transport for their journey.

These temporary arrangements will help reduce the risk of crowding at the busiest times, which would make social distancing more difficult to maintain.

The Freedom Pass website and map will be updated to reflect the new conditions of use. Changes have been made to the automated message on the Freedom Pass helpline and any callers wanting to find out more will be redirected to TfL's helpline. London Councils' call centre agents have also been briefed so they can communicate the new times if needed.

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The cost of the Freedom Pass Scheme in 2020/21

Members have asked whether, due to reduced passenger numbers, there will be an in-year reduction in the cost of the scheme in 2020/21.

Under current arrangements, no savings are anticipated this year. This is because of the existing agreement between the boroughs and TfL. This uses the previous two years' journey numbers to calculate the current year's cost. So, the current 2020/21 settlement is based on journeys undertaken in 2018/19 and 2019/20.

Given this, there are likely to be significant savings in 2021/22 and 2022/23. Current best estimates suggest that savings in 2021/22 could be between £30 and £45 million and possibly more the following year. [See appendix 1](#) for borough-by-borough estimates.

Notwithstanding significant pressures on borough budgets in the current financial year, London Councils' working assumption is that the existing agreement should be honoured. To do otherwise, or to withhold payment, could have the following implications:

- A protracted and costly legal process with an uncertain outcome¹
- Re-opening the settlement could lead TfL to reconsider the assumptions used in calculating the cost of the scheme. For example, boroughs could pay more per journey than if they had waited until next year. This is because the per person cost of providing transport has increased significantly as fewer people are now travelling.
- Were any borough to decide to withhold payment or reduce it unilaterally, daily late payment interest charges of 8.1% would apply.

1. The legislation covering the Freedom Pass Scheme (GLA Act 1999) sets out what happens if boroughs fail to reach agreement with TfL over the cost of the scheme. Were agreement not to be reached, TfL has recourse to the 'reserve scheme'. This gives TfL freedom to set charges for the scheme for each borough. This is likely to be considerably more expensive than the current arrangements.

Furthermore, TfL has now provided more detail regarding restrictions on the use of Freedom Passes during the morning peak. These only relate to journeys before 9:00am, which are outside the scope of Freedom Pass legislation. In effect, TfL's deal with Government means that it is removing a discretionary aspect of the scheme. And as travel before 9:00am is not a statutory requirement, it is not covered in the commercial agreement between London Councils and TfL. Therefore, in making this change, TfL has not altered the explicit terms of the agreement. This fact removes a primary case for London Councils re-opening the agreement (that TfL has changed the terms).

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Flexibilities Granted on non-TfL buses

In April 2020, the London Councils Transport and Environment Committee (TEC) agreed a temporary extension to the hours of operation of the scheme on non-TfL buses, to make Freedom Passes valid 24 hours a day. The change was made following advice from the Department for Transport (DfT) and the Secretary of State for Transport.

As this temporary measure does not align with possible restrictions on the TfL network, and to achieve greater consistency across the scheme, it will be removed from 15 June 2020, subject to London Councils TEC approval.

The DfT has advised that the temporary measure regarding the special financial arrangements (continuing payment at pre-Covid-19 levels during lockdown made in respect of non-TfL buses) remains in place until further notice.

Author: Stephen Boon, Chief Contracts Officer (T: 020 7934 9951)

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Links:

[Appendix 1: Estimated Borough Savings from Reduced Passenger Numbers](#)

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