

# **PETERBOROUGH CITY COUNCIL CONCESSIONARY FARES SCHEME**

## **NOTICE OF PARTICULARS OF THE SCHEME AND ARRANGEMENTS FOR REIMBURSEMENT FOR SCHEMES COMMENCING FROM APRIL 2016 ONWARDS** (issued in

compliance with the Transport Acts 1985 and 2000, as amended by the Concessionary Bus Travel Act 2007). The particulars of this Scheme and these Arrangements may change from time to time (and be the subject of a notice of change by the Travel Concession Authority) to take account of and comply with any changes in legislation during the term of the Scheme, which amend, extend or replace the Acts and/or Regulations (as defined below). In such event the Scheme shall be deemed amended accordingly.

### **Schedule 1**

#### **Scheme Definition**

- (1) **PETERBOROUGH CITY COUNCIL** is the Travel Concession Authority for the purposes of this Scheme Definition
- (2) For the purposes of the Scheme Definition the Participating Operators shall be construed as a transport operator providing an eligible service in accordance with the terms of this scheme.

#### **1. INTRODUCTION**

- 1.1 The Scheme is established and administered under the provisions in accordance with the provisions of the Acts and this Scheme Definition. The Travel Concession Authority has agreed to participate in the administration of the Scheme on the terms and subject to the conditions as set out in Schedules 1 and 2 of this Scheme.
- 1.2 As providers of Eligible Services the Participating Operators have acknowledged and have agreed to the terms for the reimbursement for the relevant services as set out herein.

## Definitions

2. The definitions and interpretative provisions set out below shall apply throughout this Scheme Definition:

- i) “1985 Act” shall mean the Transport Act 1985 as amended and/or any other legislation from time to time amending or replacing it;
- ii) “2000 Act” shall mean the Transport Act 2000 as amended and/or any other legislation from time to time amending or replacing it;
- iii) “2002 Act” shall mean the Travel Concessions (Eligibility) Act 2002
- iv) “2007 Act” shall mean the Concessionary Bus Travel Act 2007 as amended and/or any other legislation from time to time amending or replacing it;
- v) “the Acts” shall mean the 1985 Act, the 2000 Act, the 2002 Act and the 2007 Act and any re-enactment(s), amendments(s) or extension(s) of the same, whether by act, statutory instrument, order or other enactment;
- vi) “Arrangements for Reimbursement” means the Arrangements for Reimbursement most recently published by the Department of Transport associated with the Scheme from time to time. The current Arrangements for Reimbursement set out at Schedule 2;
- vii) “Boarding Stage” shall mean the various points within the Principal Area where Passenger Journeys are commenced;
- viii) “Guidance” “Guidance for Travel Concession Authorities On the England National Concessionary Travel Scheme December 2010” as amended or replaced by any further relevant guidance.
- ix) “Travel Concession Authority Boundary” shall mean the geographical area administered by the Travel Concession Authority;

- x) “Co-ordinating Authority” shall mean Peterborough City Council but in relation to the administration of the Scheme shall be deemed to include any contractor consultant agent or other body duly appointed by Peterborough City Council (and notified by Peterborough City Council to the Participating Operators) to undertake the administration of the Scheme;
- xi) “Concession Period” means the 12 calendar months starting on 1 April in any year;
- xii) “Concessionary Scheme Account” shall mean the account held and managed by the Travel Concession Authority;
- xiii) “National Pass” means a pass conforming to the correct specification and which entitles its holder to the Statutory Minimum Travel Concession Arrangements or Discretionary Travel Concession Arrangements as the case may be;
- xiv) “Discretionary Travel Concession Arrangements” means the entitlement to travel without the payment of a fare for Passenger Journeys on Eligible Services starting at any time on any day until the service end on that day by an Entitled Person and all week days, weekends and Public Holidays;
- xv) “Eligible Person” shall mean any person who has a statutory entitlement to concessionary travel as prescribed by the Acts;
- xvi) “Eligible Services” shall mean services provided in accordance with the provisions of the Acts as set out in the Arrangements for Reimbursement;
- xvii) “Entitled Person” shall mean any person for whom a Travel Concession Authority has discretionary powers under the Acts or other relevant legislation to provide concessionary travel and for the purposes of these Scheme Provisions shall mean any person who is blind or partially sighted;
- xviii) “Exception Services” shall mean those services operated outside of the Statutory Minimum Travel Concession but have been approved by the appropriate Travel Concession Authority as eligible for the

scheme and can be treated as an Eligible Service. Exception Services are listed in Appendix 2;

- xix) "Travel Concession Authority" shall have the meaning ascribed to it in the Transport Act 2000;
- xx) "Participating Operator" shall mean those operators participating in the Scheme at any given time and listed as participating in these Scheme Provisions;
- xxi) "Passenger Journey" means the act of a person moving from one location to another;
- xxii) "Principal Area" shall be construed in accordance with section 93 (2) of the 1985 Act as the area comprising the Administrative Area of Peterborough City Council;
- xxiii) "Regulations" shall mean the Travel Concession Schemes Regulations 1986 as amended and/or any other legislation from time to time amending or replacing it;
- xxiv) "Scheme" means the Peterborough Concessionary Fare Scheme as described herein;
- xxv) "Statutory Minimum Travel Concession" means the entitlement to travel without the payment of a fare for Passenger Journeys made by an Eligible Person on Eligible Services not starting before 0930 hours until the last service on that day on normal weekdays and at any time on Saturdays, Sundays and/or Public Holidays.

### **Responsibilities of the Authority**

3. The Travel Concession Authority shall manage and operate the Scheme in accordance with the Acts, the Regulations and the Guidance
4. The Travel Concession Authority shall be responsible for making those payments due to the Participating Operators from the Concessionary Scheme Account in accordance with the provisions of these Scheme Provisions and the Arrangements for Reimbursement.

5. The Travel Concession Authority shall ensure that all information provided by the Participating Operators in relation to the Scheme shall only be used in pursuit of the administration of the Scheme and shall otherwise remain confidential at all times.
6. The Travel Concession Authority will issue National Passes to Eligible Persons and Entitled Persons whose sole or principal residence is within the Travel Concession Authority Boundary.
7. The Travel Concession Authority will reimburse Participating Operators for Passenger Journeys made as a result of the proper use of National Passes for Statutory Minimum Travel Concession Arrangements and Discretionary Travel Concession Arrangements in accordance with the terms of these Scheme Provisions and the Arrangements for Reimbursement for the respective Concession Period.

#### **Responsibilities of the Participating Operators**

8. Participating Operators shall permit holders of National Passes to make Passenger Journeys in accordance with the Statutory Minimum Travel Concession Arrangements and the Discretionary Travel Concession Arrangements in accordance with the terms of the Scheme and the Arrangements for reimbursement during each respective Concession Period.
9. Pursuant to the proper administration of the Scheme and to facilitate the process of reimbursement Participating Operators shall:
  - i) Permit (including the right to travel free of charge) officers, servants, agents and/or contractors of the Travel Concession Authority or others rightfully acting on its behalf access at any time to the vehicles of the Participating Operator on which concessions are given for the purposes of:
    - a) surveying or counting or estimating the number of passengers (whether generally or of any particular description) and the fares paid by those passengers and/or;
    - b) obtaining information on other matters relating to the Passenger Journeys made by Eligible Persons and Entitled Persons which, in

the opinion of the Travel Concession Authority is necessary for the calculation and/or verification of reimbursement payments;

- ii) Provide at such times as the Travel Concession Authority may reasonably request information relevant to the calculation of reimbursement as may be specified and in the form specified in the Arrangements for Reimbursement or as otherwise requested at the time;
- iii) Co-operate with the Travel Concession Authority to establish and maintain an inventory of Boarding Stages that are deemed to be within the Principal Area of the Scheme and to assist in the process of allocating Boarding Stages to individual administrative areas in accordance with any guidance issued by the Department for Transport;
- iv) As soon as practical and if possible in advance of it taking effect, notify the Travel Concession Authority of any change or changes to fares on any service;
- v) As soon as practical and if possible in advance of it taking effect notify the Travel Concession Authority of any material change (additions, deletions and/or variations) to services;
- vi) Provide reasonable assistance to the Travel Concession Authority in the operation and administration of the Scheme;
- vii) Provide reasonable assistance and information to the Travel Concession Authority to enable the forward planning of budget requirements to properly fund the Scheme.

### **Issue of Passes**

- 10. It is the responsibility of Eligible Persons and Entitled Persons to apply for their National Pass.
- 11. Applicants for National Passes are responsible for any costs incurred in making their application including the cost of providing any photograph required to be shown on the pass for security purposes and in obtaining and presenting the necessary proof of their eligibility and/or entitlement.

12. An issue charge for a National Pass that includes a discretionary entitlement as provided for within the Discretionary Travel Concession Arrangements may be made by a Travel Concession Authority to an Eligible Person resident in the Principal Area if that Travel Concession Authority has offered the Eligible Person the option of a National Pass which entitles the Eligible Person to the Statutory Minimum Travel Concession Arrangements and for which no issue charge is made.
13. In cases where a National Pass is stolen, lost, badly damaged or destroyed, Travel Concession Authority may provide a replacement National Pass during the currency of one that has already been issued but reserve the right to make a charge to cover the cost of so doing.

### **Scope of Concessionary Travel**

14. The Statutory Minimum Travel Concession Arrangements are available to all Eligible Persons who are the holders of a National Pass in accordance with the Arrangements for Reimbursement.
15. Discretionary Travel Concession Arrangements are available to all Entitled Persons who are the holders of a National Pass allowing free travel before 0930 on Weekdays. Entitled Persons National Passes will have a Clock symbol.
16. Discretionary Travel Concession Arrangements allow free travel before 0930 on weekdays to Eligible persons on Exception Services as specified in Appendix 2.
17. Discretionary Travel Concession Arrangements allow travel for no fare after 0930 on weekdays and all day on weekends and Bank Holidays to Eligible Persons on specific community transport and dial-a-ride services as approved by the Travel Concession Authority.
18. Those eligible because of a disability that requires them to be accompanied by a dog (eg a guide dog or hearing dog) shall not be charged a fare in respect of that dog.
19. The Statutory Minimum Travel Concession Arrangements will only be permitted upon the production of a valid National Pass in the form and

subject to the terms and conditions specified from time to time by the Government.

20. Discretionary Travel Concession Arrangements will only be permitted upon the production of a valid National Pass so endorsed and in the form and subject to the terms and conditions specified from time to time by the Travel Concession Authority.
21. Participating Operators in the Scheme shall be reimbursed on the basis specified in the most recently published Arrangements for Reimbursement, and shall recognise and accept valid National Passes in the form and subject to the terms and conditions specified by the Government and/or Travel Concession Authority and allow the rightful holders of such National Passes to travel free of charge only upon production of a valid National Pass when they commence their Passenger Journey.

#### **Duration of the Scheme Provisions**

22. These Scheme Provisions shall come into effect on 1st April 2016 and shall continue until terminated in accordance with the provisions hereof.
23. The provisions of the Arrangements for Reimbursement may change as required either by new statutory provisions or regulations issued by Government or by alterations in the manner in which reimbursement is calculated by the Travel Concession Authority.
24. The parties acknowledge that any such changed Arrangements for Reimbursement shall supersede the Arrangements for Reimbursement herein and that such changes will be documented and communicated to the respective interested parties in accordance with the Acts and Regulations and the updated Arrangements for Reimbursement shall be appended to the completed form of this Agreement.

#### **Variations**

25. No variation of these Scheme Provisions or its appendices will be valid or effective unless in writing and signed by the director of transport (or equivalent) of the Travel Concession Authority.



### **Notice of Withdrawal from Scheme**

26. In the event that a Participating Operator wishes to withdraw his participation in respect of the Discretionary Travel Concession Arrangements of the Scheme he must give at least 42 days notice in writing to the Travel Concession Authority.

## Schedule 2

### The Arrangements for Reimbursement

#### **THE PETERBOROUGH CONCESSIONARY FARE SCHEME**

#### **ARRANGEMENTS FOR REIMBURSEMENT**

**With effect from 25 April 2016**

1. These Arrangements for Reimbursement must be read in conjunction with the Scheme Definition.
  
2. These Arrangements for Reimbursement set out the terms for reimbursement for schemes commencing with effect from 25 April 2016 for a period of 3 (three) years or, if earlier, such time as the Arrangement for Reimbursement shall be changed by statutory or other regulations and Scheme Definition amended accordingly.

#### **Definitions**

3. In these Arrangements for Reimbursement all definitions set out in the Scheme Definition shall apply herein;
  - i) “Additional Costs” shall mean those additional operational, capacity, peak vehicle requirement, management and administration costs necessarily borne by the Participating Operator as a result of participation in the scheme;
  - ii) “Average Fare Foregone” shall mean the fare that an Eligible Person would have paid in the absence of a scheme, calculated in accordance with Department for Transport guidelines using either the Discounted Fare Method or the Basket of Fare Method as approved by the Travel Concession Authority;
  - iii) “Claim Form” shall mean either the form issued by the Travel Concession Authority as appended at appendix 1 of these Arrangements for Reimbursement or a fixed format for submitting the required data that has been approved by the Travel Concession Authority;

- iv) “Financial Year” shall mean a twelve month period starting on 1 April in one year and ending on 31 March in the following year;
- v) “Gross Revenue Foregone” shall mean the gross value of travel under the terms of the Scheme Provisions calculated according to the actual Passenger Journeys made and the Average Fare foregone that would have been paid in respect of those journeys before any adjustments;
- vi) “Net Revenue Foregone” shall mean the value of Gross Revenue Foregone adjusted by the Reimbursement Rate;
- vii) “Payment Periods” shall mean on a calendar monthly basis with payment being made no later than 30 days after receipt of a properly rendered invoice and claim form by the Travel Concession Authority submitted by the Participating Operator for the respective calendar month;
- viii) “Reimbursement Rate” shall mean the multiplier applied by Travel Concession Authority and the Participating Operators for the Financial Year in accordance with paragraph 3 of Schedule 2;
- ix) “Revenue Reimbursement” shall be the payment due to the Participating Operator in respect of the Net Revenue Foregone as a result of participation in the Scheme which for the avoidance of doubt includes Additional Costs but excludes Set-up Costs;
- x) “Set-up Costs” shall mean those additional costs necessarily borne by the Participating Operator to set up his participation in the Scheme which shall include but not be limited to:

Purchase of higher specification ticket machines in order to provide information to provide revenue reimbursement to be calculated;
- xi) “Total Reimbursement” shall mean the Revenue Reimbursement plus Set-up Costs.

1. **Confidentiality of Data**

- i. The Travel Concession Authority shall ensure that any information obtained in accordance with the Arrangements for Reimbursement shall be used only for the purpose of administering the Scheme and shall be confidential to the Travel Concession Authority and/or their contractors and/or consultants employed to assist in the administration of the scheme and/or any auditors acting on behalf of the Travel Concession Authority.

2. **Reimbursement**

- i. Participating Operators shall be reimbursed in respect of all passenger journeys made under the terms of the Statutory Minimum Travel Concession by holders of National Passes which commence from a Boarding Stage defined as being within the Travel Concessionary Authority Boundary.
- ii. Participating Operators shall be reimbursed in respect of all Passenger Journeys made under the terms of the Discretionary Travel Concession Arrangements by holder of National Passes which commence from a Boarding Stage defined as being within the Travel Concession Authority Boundary.
- iii. Reimbursement payments will be made as a whole and will include provision for both Statutory and Discretionary elements of the Scheme. It is not intended to differentiate between these two elements.
- iv. Payments will be made by the Travel Concession Authority to cover the Total Reimbursement due to each Participating Operator.

3. **Calculation of Reimbursement**

- i. The Total Reimbursement due to the Participating Operator will be calculated from the Revenue Foregone multiplied by the Reimbursement Rate plus any Additional Costs approved by the Travel Concession Authority.
- ii. Revenue Foregone will be calculated based on the total number of Concessionary Passenger Journeys in that period multiplied by the Average Fare Foregone previously agreed with the Travel Concession Authority.

- iii. The Calculation of the Average Fare Foregone will be based on the data submitted to the Travel Concession Authority by the Participating Operator in accordance with paragraph 6 of this Schedule 2 and should reflect the average equivalent fare that would have been received had the Scheme not been in operation. The Average Fare Foregone must be calculated in accordance with Department for Transport guidelines using either the Discounted Fare Method or the Basket of Fare Method as approved by the Travel Concession Authority. In the event of a disagreement between a Participating Operator and the Travel Concession Authority as to the reimbursement arrangements offered by the Travel Concession Authority, the Participating Operator and the Travel Concession Authority will take all reasonable steps to reach agreement, failing which the Participating Operator can appeal in accordance with the Guidance.

#### 4. **Payment of Reimbursement**

- i. Participating Operators should submit the completed Claim Form to the Travel Concession Authority within two weeks of the end of the period for which the Claim Form applies.
- ii. Within 14 days of receiving the Claim Form the Travel Concession Authority will confirm the Total Reimbursement due to enable the Participating Operator to generate and submit an Invoice for the appropriate amount.
- iii. The Total Reimbursement will only be paid by the Travel Concession Authority on receipt of a corresponding Invoice sent to the Travel Concession Authority.
- iv. Participating Operators may submit Invoices at the same time as the Claim Form but the Invoice will not be processed until the Travel Concession Authority has verified the Claim Form.
- v. Participating Operators shall be reimbursed on the basis of a direct payment into their bank account (unless otherwise agreed) within 30 days of submitting their Invoice relating to that Payment Period, in keeping with the Travel Concession Authority standard payment terms, providing the Travel Concession Authority raises no issue with the data provided by the Participating Operator.

- vi. Each Calendar month the Participating Operator shall be paid the Total Reimbursement for the previous but one calendar month in accordance with the terms of these Arrangements for Reimbursement subject to the Invoice and Claim for the respective period being received within 14 days from the end of the month to which the claim applies.
- vii. If a Participating Operator has difficulties with timings or methods of payments it may apply to the Travel Concession Authority for a variation to the provisions of this Arrangement. The Travel Concession Authority will use reasonable endeavors to accommodate any variation required. Any variation of the provisions of the Arrangements for Reimbursement agreed between the Travel Concession Authority and the Participating Operator will be documented and added as an addendum to these Arrangements for Reimbursement.
- viii. In the event of Claims or Invoices being submitted late the Travel Concession Authority reserves the right to apply an assumed Total Reimbursement when calculating payments due and to make payment up to one month late on that basis.
- ix. If the provision of clause viii apply, upon receipt of the Claim and Invoice an adjustment to correct payment made will be applied in the following monthly payment.
- x. In the event of Claims or Invoices not being submitted to the Travel Concession Authority by the Participating Operator in accordance with the provision of these Arrangements for Reimbursements the Travel Concession Authority reserves the right to withhold payment for the respective periods altogether.
- xi. In the Event of a Participating Operator not submitting a Claim or Invoice for 12 consecutive Payment Periods, without prior agreement from the Travel Concession Authority, the Travel Concession Authority will deem the Operator as no longer participating in the Scheme. The Operator will be notified and will have three further payment period, following notifications to submit a Claim Form or Invoice. After this point the Operator will not be able to claim back any Total Reimbursement.

5. **Balancing Payments**

- i. The balance of Total Reimbursement due at the end of a Payment Period shall be the difference between:
  - a. The payments already made at that time in respect of the Payment Period commencing at the beginning of the respective Financial Year less any overpayments invoiced and/or deducted and;
  - b. The Total Reimbursement due at that time in respect of the period commencing at the beginning of the respective Financial Year and calculated as set out below.
- ii. Participating Operators will be sent, on express request, a reimbursement statement detailing each balancing payment reconciliation. This statement will show the following for the period from the start of the Financial Year to the end of the relevant Payment Period:
  - a. The sum of the payments due to the Participating Operator;
  - b. The sum of the payments so far made to the Participating Operator;
  - c. The amount of any balancing payment or reclaim.
- iii. Balancing Payments will only be released to Participating Operators upon receipt of a properly completed Invoice and Claim Form and the necessary data and information returns in respect of the previous Payment Period. These Claim Forms and data returns must be submitted within 14 days of the end of each Payment Period.

6. **Claims and Data Returns**

- i. Data enabling the calculation of Revenue Foregone to be made shall normally be provided by Participating Operators in electronic form extracted directly from electronic ticketing machines and those machines must be configured such that journeys made by Scheme pass holders can be separately identified.
- ii. Participating Operators expected to receive Total Reimbursement totaling less than £50,000 in respect of a financial year may provide an acceptable equivalent to Electronic data.

- iii. The precise specification of the required data shall normally be a matter of agreement between the Participating Operator and the Travel Concession Authority but the Travel Concession Authority reserves the right to reasonably specify the content, manner, form and method by which such information has to be extracted and presented in cases where they consider it necessary to do so. The information required will be as follows:
  - a. Identify each Boarding Stage of each Passenger Journey made by Eligible Persons or Entitled Persons on the Eligible Services. This information should be presented on the Claim Form to show Passenger Journeys separated according to the relevant Administrative Authority who has jurisdiction for each Boarding Stage.
  - b. The number of Passenger Journeys made by Entitled Persons on Eligible Services before 0930 on weekdays excluding weekends and Bank Holidays.
  - c. The Average Fare paid by fare paying passengers purchasing tickets on bus for each Eligible Service or other relevant information to enable the Average Fare Foregone to be calculated.
- iv. In special cases (for example small commercial operators or community transport operators), Participating Operators who are unable to provide data from electronic ticket machines or its equivalent may, subject to the prior agreement of the Travel Concession Authority, have their Total Reimbursement estimated by means of data from sample surveys (or other sources) on their Eligible Services or other Eligible Services of a similar type in the same area. To facilitate the process of estimation they may be required to provide details of gross revenue.
- v. The frequency of data returns or Claim shall be a matter to be determined between the Travel Concession Authority and the Participating Operator but such returns shall be no less frequent than quarterly and shall be provided within 14 days of the end of each period to which they relate. The Travel Concession Authority reserves the right to withhold payments of reimbursement in whole or part in cases where Participating Operators do not submit data returns or Claims on time and/or in the required form.



7. **Audit**

- i. In order to ensure that any claim for reimbursement has been legitimately made the Travel Concession Authority will seek to establish:
- ii. That the claim has not been fraudulently made and in this respect the Travel Concession Authority may inspect audit and verify any records which relate to a reimbursement claim made by the Participating Operator during the Payment Period at any reasonable time at reasonable notice and the opportunity to inspect will remain open to the Travel Concession Authority for a period up to 24 months from the end of the Concession Period;
- iii. That the Participating Operator has not altered the structure of its fares in such a way as to disadvantage holders' of National Passes resulting in the need for unreasonable additional reimbursement which would otherwise not apply;
- iv. That the sum of payments from the Scheme is not greater than the Revenue Foregone during the period of the scheme and any credit found to be held by a Participating Operator at the end of the concession Period shall be re-paid to the Scheme within 90 days of receipt of notice to do so.

**Appendix 1**

**Peterborough Concessionary Fare Scheme**  
**Monthly Claim Form**

Operator Name	
Month	

**Average Fare Calculation**

Average Fare should be calculated in accordance with Department for Transport guidelines using either the Discounted Fare Method or the Basket of Fare Method as approved by the Travel Concession Authority.

(A) Total Concessionary Journeys	
(B) Average Fare	
(C) Revenue Foregone (A x B)	
<u>Calculating Reimbursement Due</u>	
(Total 1) (C) / 100 x [Reimbursement Factor]	
(Total 2) (C) / 100 x [Generation Factor] x [pence per generated passenger]	
Reimbursement Due (Total 1 + Total 2)	

Please send completed claim forms to the Travel Concession Authority

By Email    buses@peterborough.gov.uk

**Claim Certification**

On behalf of the above named Participating Operator I confirm that the details on this claim form are correct, and that Scheme passes have been accepted in accordance with the Scheme terms on all services for which reimbursement is claimed.

Signature		Date	
Print Name			
Position			

Operator name	
Month	

## **Appendix 2**

### **Exception Services**

The following exceptions to 09:30 time limit:

None as at 1 April 2016.

**This is subject to change as the Scheme is reviewed. Any changes will be with the agreement of the Participating Operators affected by the change and the Travel Concession Authority.**