

SURREY CONCESSIONARY FARES SCHEME FOR OLDER AND DISABLED PEOPLE

GUIDELINES FOR BUS OPERATORS

1 April 2021 to 31 March 2022

PLEASE NOTE THE REQUIREMENT TO COMPLETE AND RETURN THE DECLARATION AT THE END OF THIS DOCUMENT

1 Legal Authority

These guidelines are issued by Surrey County Council as statutory Travel Concession Authority for its area and will apply to journeys made from 1 April 2021 to 31 March 2022 inclusive.

The scheme is made pursuant to the Transport Act 1985, the Transport Act 2000, the Concessionary Bus Travel Act 2007 and all relevant secondary legislation. The scheme comprises part of the English National Concessionary Travel Scheme (ENCTS).

2 Permit Issue

Permits identifying those eligible for concessions are smartcards of a standardised format, including the name and photograph of the permit holder, the expiry date, the ENCTS 'rose' logo and an identifying logo for the issuing Authority. Permit holders who are entitled to be accompanied by a Companion to assist them with travel have a '+C' clearly marked in the top right-hand corner.

Surrey County Council will issue a permit, free of charge for initial issue or renewal, on application by any person who appears to be a permanent resident of Surrey and who is either:

- An Older Person, i.e. a man or woman who has reached the age at which a woman born on the same day becomes eligible to receive the State Pension, or
- A Disabled Person, i.e. a person of fare-paying age who has a qualifying disability as specified in the legislation and interpreted in accordance with statutory guidance.
- Certain Disabled Persons, who may require assistance to travel by bus, may be granted a permit with additional Companion entitlement.

3 Travel Concessions to be Provided

On presentation of a valid ENCTS Older or Disabled Person's permit, each participating transport operator is required to offer free travel for journeys which commence in Surrey at the times stated below:

- For holders of an Older Person's or Disabled Person's permit, from 0930 until 2300 (both times inclusive) Mondays to Fridays, and at all times at weekends and public holidays.
- Companions travelling with a person holding a companion pass (+C on the card) are entitled to the same concession as the person being accompanied.

ENCTS permits issued by non-Surrey councils, including London 'Freedom Passes', are only to be accepted during the above hours, regardless of their validity in the issuing area.

Permit holders travelling with a Companion receive free travel for their Companion only within Surrey, or on services crossing out of Surrey as far as the bus is travelling. Any further travel, including return travel into Surrey, is at the discretion and instruction of the Travel Concession Authority where the passenger's journey starts. Companion travel permits issued by non-Surrey authorities are not valid for a companion within Surrey.

Failure by an operator to provide these concessions is an offence under the Transport Act 2000 and may result in prosecution and a fine.

ENCTS permits **may not be used** on:

- Services of limited duration, or to special events.
- Long distance express coach services such as those operated by National Express.
- Services operated by tram, train or ferry, even where these are temporarily replaced by a bus service.
- Excursions, tours and other services operated primarily for the purposes of tourism or the historic interest of the vehicles.
- Services in Wales, Scotland or Northern Ireland.
- Any other services deemed by this authority to be excluded in accordance with Department for Transport (DfT) guidance, for example Older Persons ENCTS passes cannot be used on Guildford Park & Ride services.

Where there is reasonable cause to believe that an ENCTS permit is being used fraudulently, or in cases of other persistent misuse, the operator's staff should withdraw the permit and send it forthwith, with a full statement of the circumstances, to the relevant Travel Concession Authority.

Operators may offer additional concessions, which will not be reimbursed by the County Council. Any operator wishing to do so must inform the County Council, and is invited to discuss its proposals, as they could affect the amount of reimbursement payable.

4 Services Eligible for Reimbursement to Operators

Generally, the services eligible for reimbursement are all of the registered local bus services operating in the administrative county of Surrey (including commercial routes, Surrey County Council minimum subsidy contracts, de-minimis agreements and contracts let by other authorities), with the following exceptions:

1. Services identified in section 3 above as ineligible.
2. Services operated primarily for hotels' guests to and from airports.
3. Services which do not qualify for Bus Service Operators' Grant (BSOG), or any successor denominated by the DfT.

4. Services that are run under Minimum Cost contract to the County Council (see section 8). Companies operating this type of contract must accept permits but will not receive reimbursement.

The above criteria, which are not exhaustive, are intended to ensure that reimbursement is directed to local services. Any classification disputes which arise, and which cannot be resolved between the operator and the County Council will be referred to an agreed Alternative Dispute Resolution (ADR) procedure within 12 months of the year end to which these Arrangements for Reimbursement relate.

Surrey County Council may, at its sole discretion, admit selected community transport services to the scheme. Details of any Discretionary and/or Companion Entitlement and/or Alternative Discretion provided by the Travel Concession Authority may be amended from time to time without being deemed to be an alteration to the Scheme.

5 Reimbursement Procedure

The Reimbursement Procedure has the objective that operators should be financially 'no better and no worse off' than if the concessionary fares scheme was not in operation.

Payment to operators for accepting Older and Disabled Persons' Permits will be based on the numbers of permits accepted for travel as recorded on an electronic ticket machine (ETM).

Surrey County Council will apply the current DfT recommended methodology for determining reimbursement to operators, as published in November 2020.

- Reimbursement will be paid at a **rate to be advised in the final publication**. This rate includes additional costs per generated passenger and marginal capacity costs.
- Application may be made for payment of additional peak vehicle (PVR) costs, where any operator can demonstrate that it is obliged to maintain and operate additional vehicles to meet extra demand generated by the concessions. The scheme will only accept liability for an appropriate proportion of such costs where the requirement for additional vehicles is partly attributable to factors outside the scheme and/or the services concerned operate partly outside Surrey.
- Any application for extraordinary additional costs which are not otherwise met will be considered in the context of current DfT guidance. Notice of the intention to submit a claim for such costs must be submitted to the Travel Concession Authority within six (6) months of the start of the respective Financial Year. All completed claims for Additional Capacity Costs must be submitted by the Participating Operator to the Travel Concession Authority within six (6) months of the end of the respective financial year to which the claim relates. Participating Operators will be provided with guidance on the detailed information required by the Travel Concession Authority as soon as possible after they notify their intention to submit a claim. Unless an exception is made, the Participating Operator must utilise the claim template provided by the Travel Concession Authority or its scheme administrator.

Any operator which believes it is able to demonstrate, using verifiable data, that the rate above does not meet the 'no better and no worse off' objective may request a review of the rate for its services. This must be on the basis of a review of all input parameters for the DfT reimbursement calculator, and not only selected items.

Any additional PVR or extraordinary costs which are agreed will be paid in equal instalments across the relevant Payment Periods. Thus, for a sum covering the whole year, 25% will be paid in each quarter.

Surrey County Council may, at its discretion, agree an alternative reimbursement procedure with any operator expected to claim for fewer than 6,000 concessionary journeys per year.

6 Information Required from Bus Companies

All operators who wish to be reimbursed under the scheme must submit regular scheduled ETM data for routes and sections of route which operate wholly in Surrey. Operators are required to provide the following information for each service where reimbursement is claimed:

- Number of concessionary passengers boarding in Surrey
- Adult Single ticket issues and revenue
- Adult Return ticket issues and revenue
- One-day ticket issues and revenue (e.g. Day Explorer, Dayrider)
- One-week ticket issues and revenue
- Carnet ticket (i.e. multiple single journeys valid over a period exceeding one week) issues and revenue, including the total number of journeys bought

The format of this information will be agreed between the County Council or appointed Consultant and the operator, but must allow for satisfactory identification of the concessionary passenger boardings in the area of the Scheme and calculation of the revenue forgone during the period.

Surrey County Council reserves the right to require the provision of concessionary usage data in the form of smartcard records for the whole or any part of the period covered by these guidelines.

The use of hotlisting is required where ticket machines allow this and notes for the procedure recommended by Surrey County Council will be made available on request.

Information should be supplied on a monthly or quarterly basis, as agreed between the operator and the appointed Consultant, within 8 working days of the end of the data period.

Failure to submit required data, or delay in doing so, may result in delay to or withholding of reimbursement payments or adjustments, or reclaim of payments already made.

Should any required information be supplied later than six months after the end of the period to which it relates, acceptance of it and any liability to make reimbursement payments relating to it shall be at the sole discretion of Surrey County Council.

7 Payment and Calculation of Reimbursement

Reimbursement payments to participating operators will be calculated by our appointed Consultant on a quarterly basis (the Payment Period) using the information supplied by each operator.

The Total Reimbursement due will be calculated as follows:

- The Average Adult Fare will be derived from the total revenue for adult single (including carnet), return and one-day tickets for each route operated, divided by the total number of journeys attributed to those tickets. For this purpose, unless otherwise agreed with the Operator, two journeys will be ascribed to each return ticket and three journeys to each day ticket.
- The Revenue Forgone for each route will be calculated by multiplying the Average Adult Fare by the number of Concessionary Journeys recorded for the Payment Period.
- Total Reimbursement for the Payment Period will be the total of Revenue Forgone multiplied by the Reimbursement Rate (see section 5), plus the relevant proportion of any agreed additional costs.

Interim payments will be made to participating operators, with ETM data used to reconcile payments as follows:

Interim Payments: Interim payments will be made monthly based on 95% of the estimated Total Reimbursement for the quarter, split over the three months of the quarter. These payments will be made by the end of each month and are subject to satisfactory receipt of data.

Balancing Payments: The balance of the Total Reimbursement due at the end of each quarterly Payment Period will be calculated by Surrey County Council or its Consultant, and subject to any data issues being resolved, shall be paid to the Participating Operator by the last day of the following Payment Period or the previous working day if that day falls on a weekend or public holiday. This will be:

- The Total Reimbursement due for the Payment Period;
- LESS the total Interim Payments made during the Payment Period; • LESS any overpayment carried forward; or
- PLUS any prior period, underpayment.

Participating Operators will be notified in advance of the amount of each Interim Payment, and any subsequent variation to that amount. After the end of each quarterly Payment Period, each Participating Operator will receive a reimbursement statement detailing the following for the relevant Payment Period:

- The sum of the payments due to the Operator; • The sum of the payments so far made to the Operator; • The amount of any balancing payment or reclaim.

Operators will be required to submit a reconciliation invoice to the County Council to receive any balance due to them. Where the balance is negative, the County Council may reclaim the overpayment either by invoice or by deduction from future Reimbursement Payments or, where necessary, from the value of other payments made by Surrey County

Council to the operator. Deduction will be made no later than 3 months after the end of the Financial Year to which the overpayment relates, or 3 months after identification of the overpayment, whichever is later.

Any payments to Participating Operators falling outside the statutory provisions will be based on an agreed formula with the objective of being no more and no less generous than the terms of reimbursement in respect of local services.

8 Participation

All operators of eligible services (see section 4) are both eligible and required to participate in the scheme. Operators may only withdraw from discretionary elements of the scheme, by giving 42 days' written notice to the County Council which may serve on the operator a Participation Notice under Section 97 of the Transport Act 1985. Operators have a right of appeal to the Secretary of State for Transport against the terms of reimbursement or compulsory participation, further details of which can be obtained from the County Council. Any appeal must be lodged within 56 days of the scheme or any variation taking effect.

Operators will not be eligible for concessionary fares reimbursement on Minimum Cost contracts, which are paid by the County Council net of the revenue collected on bus. Operators of Surrey Minimum Cost contracts will also be required to submit a monthly ETM data sheet and summary incorporating the above information with their invoice. Payment will only be made on receipt of an acceptably completed return.

Operators will be eligible to receive reimbursement for services operated under Minimum Subsidy contracts or 'de minimis' agreements, whether let by Surrey or other authorities.

9 Service Monitoring and Fare Tables

The County Council and / or its Consultant will regularly monitor services which are in the scheme. The person monitoring the service will identify himself or herself and carry authority to travel. No charge will be made for such travel.

Operators are required to supply fare tables for all participating services, including details of all applicable multi-journey tickets. When fares are revised, new fare tables must be provided within seven days of taking effect.

10 Audit and Correction

Operators must retain (in either electronic or hard copy format) a copy of all information submitted in accordance with the scheme, and all the underlying data, for a period of at least 2 years following the end of the financial year to which they relate. These must be made available at any reasonable time for inspection, copying and audit by the County Council or its appointed Consultant.

Should there be any reasonable cause to suspect inaccuracy or omission in the data supplied by the operator, whether as a result of audit, monitoring, missing data, or for any other reason, Surrey County Council and/or the appointed Consultant may:

- Substitute its own estimates for the operator's data in its calculations.
- Delay or withhold reimbursement payments pending verification and/or correction.

- Recover payments already made where the estimated or corrected amount due exceeds that paid, or where no acceptable evidence of the amount due can be produced within a reasonable time.
- Carry out an investigation and require the operator to provide such additional information as it may deem necessary.

Failure to keep and produce acceptable records, or to co-operate with any audit or monitoring activity, may lead to any of the actions above, and the County Council may also recover from the operator any extraordinary costs it incurs in investigating and rectifying the situation.

11 Confidentiality

The information provided by an operator to the County Council and / or its Consultant for the administration of the Concessionary Fares Scheme will be treated as confidential, and not be disclosed to another operator or to the public without the consent of the operator concerned.

This will not apply to:

- Information expressly required under the Scheme to be non-confidential;
- Information already public knowledge (other than through a disclosure by the County Council, its employees, agents or sub-contractors);
- Information already in the possession of the receiving party before its disclosure;
- Information received from a third party who is free to disclose it;
- Information required to be disclosed by law (see below)

The Council is subject to legal duties which may require the release of information under the Freedom of Information Act 2000 ("FOIA"), the Environmental Information Regulations 1992, or any other applicable legislation, regulation or code. In particular, operators are made aware that the Council is entitled to disclose any information relating to their performance.

If the County Council receives a request for information under any applicable legislation, it shall be entitled to disclose all information necessary to respond to that request. If the County Council requests the operator's assistance in obtaining the information, the operator will respond to such a request at its own cost and within 10 days of receiving the request.

If the request relates to information which the operator has notified the County Council in advance as potentially exempt from disclosure (e.g. confidentiality - section 41 FOIA, trade secrets - section 43 FOIA, and prejudice to commercial interests - section 43 FOIA), the County Council will consult the operator as soon as reasonably practicable and shall not confirm or deny that it holds the information requested or disclose it until it has done so. If the County Council incurs any costs in seeking to maintain an exemption to disclosure, the operator shall meet the County Council's costs in doing so.

The County Council shall not be liable in any way for any loss, damage, harm or other detriment arising from the disclosure of any information relating to the operator in accordance with any applicable legislation.

12 Complaints

Permit holders will be advised to try to resolve any problem with the operator concerned and asked for information which will help identify the driver, i.e. date, route, time of bus, boarding and alighting points. Only complaints which have not been addressed to the permit holder's satisfaction, or cannot be addressed by the operator, should be referred to the County Council.

13 Contact

Further information is available from

Strategic Transport Group
Surrey County Council
County Hall
Kingston upon Thames
KT1 2DY

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Please note that all operators must sign and send back the below confirmation of acceptance before any reimbursement payments for the Surrey ENCTS scheme are made.

I confirm that I have read and accept the terms and conditions as set out in the English National Concessionary Travel Scheme - Guidance notes for Operators for the year 2021/22.

Signed.....

Print Name.....

Name of Company.....

Date.....