

North Yorkshire and York Concessionary Fares Scheme

Notice of particulars of the scheme Published arrangements for reimbursement of operators

Copies available for inspection at the main offices of:

North Yorkshire County Council
Integrated Passenger Transport
County Hall
Northallerton
DL7 8AH

City of York Council
Directorate of City Strategy
9 St Leonard's Place
York
YO1 7ET

Copies distributed to:

All operators participating in the North Yorkshire and York
Concessionary Fares Scheme

Produced by:

Lead Authority, North Yorkshire County Council, County Hall
Northallerton DL7 8AH.

Issued 3 March 2011

NORTH YORKSHIRE & YORK CONCESSIONARY FARES SCHEME

NOTICE OF PARTICULARS OF THE SCHEME

(issued in compliance with the Transport Acts 1985 and 2000, as amended by the Concessionary Bus Travel Act 2007)

APPLICATION OF SCHEME

- 1.0** North Yorkshire County Council and City of York Council have jointly adopted this concessionary fares scheme ("the Scheme"), which replaces the previous scheme of the North Yorkshire Concessionary Fares Partnership (revised May 2009, October update).
- 1.1 On 1 April 2011 responsibility for concessionary fares administration transfers from district councils to county councils. North Yorkshire County Council is the successor travel concession authority to the seven North Yorkshire district councils who are participants in the North Yorkshire Concessionary Fares Partnership ("NYCFP"). The North Yorkshire Concessionary Fares Partnership terminates on 31 March 2011.
- 1.2 These Particulars of the Scheme are issued on 3 March 2011. This Scheme will come into effect on 1 April 2011, and continues until further notice.
- 1.3 The Arrangements for Reimbursement (dated 3 March 2011) should be read as part of this Scheme, and the conditions contained therein are binding on Operators and the Issuing Authorities.

RESPONSIBLE AUTHORITIES

- 2.0** The Scheme is funded by the following travel concession authorities ("the Issuing Authorities"):
- North Yorkshire County Council
City of York Council

and is administered on their behalf by North Yorkshire County Council ("the Lead Authority").

2.1 In this document "Operator" means an operator of public transport services wholly or partly within the Scheme Area (including, without prejudice to the generality, all eligible services in North Yorkshire or the City of York registered in accordance with S6 Transport Act 1985) that has been required by legislation or by the Lead Authority to offer concessionary fares pursuant to the Scheme. Where services are provided under a contract with a local or National Park authority which is credited with the revenue collected and carries the commercial risk (a "gross cost contract"), that authority, and not the Operator of the service, shall be entitled to claim and receive the reimbursement for journeys made on it.

2.2 Enquiries regarding the issue or validity of concessionary travel passes should be addressed to the appropriate Issuing Authority for the area in which the holder of (or applicant for) the pass resides as detailed below:

North Yorkshire County Council 0845 8727374

City of York Council 01904 551670

2.3 All other enquiries regarding the Scheme should be addressed to:

Transport Concessions Manager

Integrated Passenger Transport

North Yorkshire County Council

County Hall

Northallerton

DL7 8AH

Telephone: 01609 538191 Fax: 01609 779722

Email: enct@northyorks.gov.uk

Save that enquiries regarding Operators based and providing services mainly within the area of the City of York Council should be addressed to:

Public Transport Planner

City of York Council

Directorate of City Strategy

9 St. Leonard's Place

YORK

YO1 7ET

Telephone: 01904 551403 Fax: 01904 551340

Email: transport.planning@york.gov.uk

2.4 Reference to the Lead Authority in these Particulars and Arrangements shall be taken to include any person authorised to act on behalf of it.

GROUPS OF PERSONS ELIGIBLE

3.0 People in the following groups are entitled to the issue of a concessionary travel pass under the Scheme (except as provided in section 6.0 below):

(a) Older People: that is:

(i) men and women born before 6 April 1950,

or

(ii) women born after 5 April 1950 who become eligible for a concessionary travel pass on the same date they become eligible for the state pension, or such other date as stipulated by legislation,

or

(iii) men born after 5 April 1950 who become eligible on the date that a woman born on the same day becomes eligible for the state pension, or such other date as stipulated by legislation;

And whose sole or principal residence is in the administrative area of one of the Issuing Authorities.

(b) Disabled People: that is people who:

(i) are blind or partially sighted,

or

(ii) are profoundly or severely deaf,

or

(iii) are without speech,

or

(iv) have a disability, or have suffered an injury, which has a substantial and long-term adverse effect on their ability to walk,

or

(v) do not have arms or have long-term loss of the use of both arms,

or

(vi) have a learning disability, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning,

or

(vii) would be refused the grant of a licence to drive a motor vehicle under section 92 of the Road Traffic Act 1988 (physical fitness), otherwise than on the ground of persistent misuse of drugs or alcohol;

And whose sole or principal residence is in the administrative area of one of the Issuing Authorities.

For the purpose of this Scheme, the interpretation of "sole or principal residence" is as determined by the Issuing Authorities, and details of the interpretation will be available on request.

- 3.1 Passholders in receipt of the Higher Rate Mobility Component of Disability Living Allowance, the Higher Rate Care Component of Disability Living Allowance, or Higher Rate Attendance Allowance, or who are registered blind or partially sighted, will be entitled to a pass that includes provision for a companion to receive the concession when travelling with them within the Scheme Area as defined in section 5.
- 3.2 In addition to the provisions of clause 3.1, those persons resident within North Yorkshire who have a learning disability, are age 19 or under and in full time education at a special school, will also be entitled to a pass that includes provision for a companion to receive the concession when travelling with them within the Scheme Area as defined in section 5.
- 3.3 An Issuing Authority may require additional evidence of eligibility from any applicant for the issue of a pass, as published from time to time. Any costs incurred in obtaining the requested evidence are the responsibility of the applicant. Issuing Authorities are not liable for any costs incurred in obtaining the necessary evidence to support the application.

PASSES AND TYPE OF CONCESSION

- 4.0** The Scheme uses ITSO compliant smartcard passes, each displaying the holder's name, likeness, the Issuing Authority's logo, expiry date, reference number and any other details pursuant to the administration of the Scheme, to a standard national design. The Concession Type will be indicated by a coloured strip on the right side of the pass. There are two variants, a blue strip for those eligible on the grounds of age and an orange strip for those eligible on the grounds of meeting one of the disability criteria as specified in section 3.0. (Samples of each of the valid pass designs are illustrated in Appendix 1.)
- 4.1 Companion entitlement will only be valid on those passes issued on the grounds of disability, and will display a "+C" logo in the top right corner of the pass to a standard design. No separate pass will be issued for a Companion. Passes held by persons resident within the City of York who are registered as Blind will display in the top section of the pass a standard "eye" logo, illustrating their enhanced free travel entitlement as specified in section 5.2.
- 4.2 The pass number, expiry date and Concession Type (age or disability) will be encoded electronically on the pass in an ITSO-compliant smartcard format. Any change to the design or specification of the pass, prescribed by statutory regulations, will be notified to Operators one month prior to their issue.
- 4.3 On presentation of a valid concessionary travel pass on an Eligible Journey, as specified in section 7, at a Relevant Time as specified in section 5, the holder will be entitled to a concession consisting of a waiver of the fare for the journey. Any Operator who systematically fails to comply with the obligation to provide this entitlement, in accordance with the terms of the Scheme, commits a criminal offence.
- 4.4 Passes that do not conform to the standard designs, which have expired or are otherwise invalid, should not be accepted for concessionary travel under any circumstances. In cases where fraudulent use of the pass, rather than carelessness, is suspected, the Issuing Authorities support the driver or other authorised person withdrawing the pass, subject to the Operator's own operational procedures. Passes so collected should be handed in to the responsible manager on the Operator's staff and returned by the Operator to the Lead Authority, together with a report of the circumstances leading to its return.

4.5 Passes remain the property of the Issuing Authority, and must be returned to that authority forthwith if the holder ceases to be eligible, or on its request. An Issuing Authority may refuse to issue, renew or replace a pass where it is not satisfied that the applicant meets all relevant eligibility conditions, or in any case where fraud is suspected.

SCHEME AREA AND TIMES OF VALIDITY

5.0 The Scheme Area is that covered by the administrative areas of the Issuing Authorities listed in section 2.0 above, and shown on the map in Appendix 2.

5.1 Passes issued under this Scheme are valid for concessionary travel on journeys starting at any point within the Scheme Area, including journeys to destinations outside the Scheme Area, at the following times:

- (i) At any time on a Saturday or Sunday or any English bank holiday.
- (ii) At any time on Monday to Friday except between 0600 and 0859.
- (iii) At such other times as may be agreed between the Lead Authority and the relevant Operator.
- (iv) On relevant sections of specific services which operate prior to 0900 on Monday to Friday, as listed in Appendix 5

5.2 In addition to the provisions of clause 5.1, passes held by persons resident within the City of York who are registered as Blind are valid for concessionary travel on journeys starting and finishing wholly within the City of York boundary at any time. A distinctive pass will be issued to enable identification of those eligible, as specified in section 4.1 and illustrated in Appendix 1.

5.3 Authorised Companions, as specified in section 3.1 and 3.2, are entitled to concessionary travel only while travelling with the Passholder for the entire journey, on any Eligible Journey which starts within the Scheme Area at the times specified in section 5.1 or 5.2 above. Companions will not be entitled to concessionary travel for any journey starting outside the Scheme Area, except under the provisions of clause 5.6 below.

5.4 National style concessionary travel passes issued under this Scheme are valid for concessionary travel on Eligible Journeys starting at any point in England **outside** the Scheme Area at the times of the statutory minimum scheme as defined in S146 Transport

Act 2000, i.e:

- (i) At any time on a Saturday or Sunday or any English bank holiday.
- (ii) On Mondays to Fridays between 0930 and 2300 inclusive.

5.5 The Issuing Authorities may agree reciprocal arrangements with adjacent travel concession authorities to enable companions accompanying passholders with a Companion entitlement to receive the concession for cross-boundary journeys between the Scheme Area and the area of the adjacent authority. Any such arrangements will be as agreed from time to time between adjacent schemes, and may apply to companions from either or both of the schemes. Operators will be notified of any such arrangements by the Lead Authority and will be expected to enable the Passholder and companion to receive the concession on the relevant Eligible Services.

5.6 The holder of a valid National style concessionary travel pass issued by a travel concession authority in England other than one listed in section 2, will be entitled to receive the concession while making any Eligible Journey which starts within the Scheme Area at a time as specified in section 5.1.

LOCAL VARIATIONS AND SCHEME ENHANCEMENTS

6.0 Either of the Issuing Authorities may offer some or all of its eligible residents the opportunity to forgo their entitlement to the statutory travel concessions under the Scheme in return for travel tokens, taxi vouchers or rail passes. The Issuing Authorities may insist that travel tokens, or an alternative specified by the Issuing Authorities, be accepted on services included within the Scheme.

6.1 Either of the Issuing Authorities may extend the availability of fare concessions offered to passholders to other forms of local public transport (e.g. trains or Community Transport services). Such variations do not form part of this Scheme. The details will be agreed and administered separately by the relevant Issuing Authority, and reimbursement arrangements may differ from those attached to this Notice of Particulars.

6.2 The Lead Authority may vary enhancements to the Scheme at any time as may be agreed between the Issuing Authorities and the relevant Operators. Operators will be given at least 28 days' notice of any such changes, prior to their implementation date.

JOURNEYS AND SERVICES ON WHICH CONCESSIONS ARE TO BE PROVIDED ("ELIGIBLE JOURNEYS" AND "ELIGIBLE SERVICES")

7.0 An Eligible Journey is an unbroken Through Journey, in one direction, made on an Eligible Service between places in England and beginning at a Relevant Time as specified in section 5. "Through Journey" means one made on a single advertised service using one vehicle (or where any change of vehicle is made solely for operational reasons, whether planned or otherwise), or an advertised connecting journey, which a fare-paying passenger could make on a single ticket (other than an unlimited-travel area or network ticket).

7.1 An Eligible Service is as defined in the Travel Concessions (Eligible Services) Order 2002, as amended by the Travel Concessions (Eligible Services) (Amendment) Order 2009. This includes any bus service registered in accordance with S6 Transport Act 1985 (or any school bus service open to the general public) and operating wholly or partially within the Scheme Area. A service is not an eligible service under section 146 of the Transport Act 2000 if:

- (i) more than half of the accommodation on the vehicle by means of which the service is provided can be reserved by members of the general public in advance of travel;
- (ii) it is intended to operate for less than six consecutive weeks;
- (iii) it is operated primarily for the purposes of tourism or because of the historical interest of the vehicle;
- (iv) it is a bus substitution service; or
- (v) the fare for the service includes a special amenity element.

7.2 The Lead Authority may allow services covered by the exceptions as described in section 7.1 to participate in the Scheme at its discretion. Operators will be notified of any such arrangements by the Lead Authority. The Lead Authority may remove such services from the Scheme at a later date by providing 28 days notice in writing.

7.3 In addition, for journeys starting within the Scheme Area, the following will be regarded as Eligible Services for the purposes of the Scheme:

- i) Demand-responsive services, which primarily perform a local transport function and on which accommodation can or must be reserved for operational purposes.
- ii) Those Community Transport services which qualify for Bus Service Operators Grant and, at the absolute discretion of the Lead Authority, are notified to the Operator concerned.

iii) York City tours, insofar as local journeys are possible along parts of the route at single fares which are not set to act as a disincentive.

Further guidance on eligibility of services and the criteria by which they are judged is available from the Lead Authority.

RIGHT OF PARTICIPATION

8.0 Operators are required to provide the statutory minimum level of concessionary travel, in accordance with the Transport Act 2000 (as amended), and persistent failure to do so is a criminal offence.

8.1 Any operator of an Eligible Service, operating in the Scheme Area, has a right to participate in the Scheme, and to be reimbursed in accordance with the current Arrangements for Reimbursement. Application for admission to the Scheme should be made in writing to the Lead Authority no less than 28 days in advance of participation, and must be accompanied by such details of the service(s) to be provided as the Lead Authority may reasonably require.

8.2 The Lead Authority may require an Operator to participate in discretionary elements of the Scheme, by serving a Participation Notice under S97 of the Transport Act 1985, which will have effect not less than 28 days after issue. On the issue of such a notice, the Operator will be supplied with a copy of the current Scheme Particulars and Arrangements for Reimbursement. An Operator may apply to the Secretary of State for any Participation Notice to be cancelled or varied, within 56 days from the date it comes into effect.

8.3 The Lead Authority shall give not less than 28 days' notice to Operators of any proposed changes to the Scheme, including the Arrangements for Reimbursement, and 3 months' notice of any decision to terminate the Scheme or any part of it. The period of such notice may however be shortened by mutual agreement.

8.4 The Lead Authority reserves the right to exclude from the Scheme any service which does not qualify under section 7.1, or on which the level of fares or the manner in which they are paid, in the opinion of the Lead Authority, are designed to deter its use for local travel.

8.5 Any Operator who wishes to withdraw from voluntary participation in the discretionary elements of the Scheme (in whole or in part) must give no less than 42 days' notice in writing of such a wish. In the event of such notice being given, the Lead Authority may

require the Operator to continue to offer concessions on Eligible Services, where necessary by issue of a Participation Notice, under S97 Transport Act 1985, as detailed in section 8.2.

8.6 All enquiries should be directed to the Transport Concessions Manager at North Yorkshire County Council, except for operators based and operating mainly within the area of the City of York Council, who should contact the City of York Council. Contact details are shown at section 2.3 above.

8.7 Any Operator has a right of appeal against participation in the Scheme, exclusion from the Scheme or the terms of reimbursement. Any matter of dispute should be raised in the first instance with the Transport Concessions Manager at North Yorkshire County Council, who can advise on the process.

IDENTIFYING SIGNS, LOGOS, ETC.

9.0 The Issuing Authorities reserve the right to require Operators to display on vehicles used on services on which travel concessions are available a sign or logo indicating the fact to intending passengers. They may also require Operators to display a notice describing the Scheme and its provisions inside each vehicle used on Eligible Services within the Scheme Area.

Signed:  _____

Assistant Director, Integrated Passenger Transport

North Yorkshire County Council, County Hall, Northallerton DL7 8AH

On behalf of North Yorkshire County Council and City of York Council

Date: 3 March 2011

NORTH YORKSHIRE & YORK

CONCESSIONARY FARES SCHEME

PUBLISHED ARRANGEMENTS FOR REIMBURSEMENT OF OPERATORS

– 3 MARCH 2011

- 10.0** Definitions – The meanings of all relevant terms in this document are as defined in the associated Notice of Particulars of the Scheme, of which this Notice of Arrangements for Reimbursement of Operators forms a part.
- 10.1 The Scheme aims to ensure that all Operators are treated fairly, and that they are neither better nor worse off financially as a result of their participation in the Scheme, in accordance with S150 Transport Act 2000 and the Travel Concession Schemes Regulations 1986. The Reimbursement Arrangements have been formulated to provide Operators with appropriate reimbursement for providing concessions to those who are eligible, as defined in the Notice of Particulars.
- 10.2 Reimbursement Arrangements have been determined in accordance with the principles of Department for Transport (DfT) 'guidance on reimbursing bus operators'. The principles of the guidance and any future amendments thereto will continue to be applied in any future review of the Reimbursement Arrangements.
- 10.3 DfT published revised guidance in December 2010 setting out the Department's preferred approach for calculating reimbursement based on the latest research and evidence available. The guidance and associated Reimbursement Calculator can be found on the DfT website, www.dft.gov.uk/
- 10.4 The following sections of this document set out the reimbursement factor, tiered reimbursement rates and provision for additional marginal operating costs as applied in the previous NYCFP Scheme. These values represent the best available local data at this time. The Issuing Authorities are currently reviewing this local data, in light of the recommendations set out in the new guidance, to assess the implications for reimbursement. Any amendments to the scheme that result will be issued with 4 months notice of their introduction.

10.5 All claims and enquiries by Operators should be made to the "Lead Authority" for the Scheme, which is North Yorkshire County Council, and addressed to:

Transport Concessions Manager
Integrated Passenger Transport
North Yorkshire County Council
County Hall
Northallerton
DL7 8AH
Telephone: 01609 538191
Email: enct@northyorks.gov.uk

Fax: 01609 779722

However, Operators who provide services **mainly** within the area of City of York Council should address claims and enquiries to:

Public Transport Planner
City of York Council
Directorate of City Strategy
9 St. Leonard's Place
YORK
YO1 7ET
Email: transport.planning@york.gov.uk

Fax: 01904 551340

STANDARD METHOD OF CALCULATION OF REIMBURSEMENT

11.0 Operators will be reimbursed for revenue forgone on the basis of the number of Eligible Journeys undertaken by holders of a valid Concessionary Travel Pass. For reimbursement purposes only, a valid Concessionary Travel Pass includes:

- any pass or Companion entitlement issued under this Scheme;
- any current pass, to the standard national design, issued by a Travel Concession Authority in England;
- any Companion entitlement issued by an adjacent Travel Concession Authority with which a bilateral recognition agreement has been made:

PARTICIPATING AUTHORITIES	
East Riding of Yorkshire Council	West Yorkshire PTE
Kingston Upon Hull City Council	South Yorkshire PTE
North Lincolnshire Council	North Yorkshire County Council
North East Lincolnshire Council	City of York Council

[Participating Authority details are current at date of publication, and are subject to change. They are not intended to limit the application of this section, which will apply in case of variation to the Authorities involved until further notice]

11.1 Each data return addressed to the Lead Authority by an Operator must be supported by appropriate evidence. Data relating to the number of journeys (trips) undertaken by Passholders and non-Passholders must be supplied in an agreed format to enable the Lead Authority to calculate gross revenue forgone (i.e. the sum of fares that would have been paid in the absence of the Scheme).

11.2 Reimbursement will be calculated using the Average Fare forgone, in conjunction with the number of concessionary trips, and adjusted for generated travel (see section 16.0 and Appendix 3). The calculation for each service within the Scheme is:

NO. OF CONCESSIONARY TRIPS X AVERAGE FARE X REIMBURSEMENT FACTOR

The Average Fare will be calculated for each Operator as described in section 12.0 below.

- 11.3 Net revenue forgone is calculated from gross revenue forgone by applying an adjustment to take account of generated travel (see section 16.0). The reimbursement factor determined for each service category represents the current best estimate of the allowance for travel generated by the Scheme, evidenced by actual data received from Operators and previously provided to the North Yorkshire Concessionary Fares Partnership.
- 11.4 Reimbursement Arrangements may be varied where an Operator provides clear evidence that the standard method of reimbursement is not appropriate. The Lead Authority will consider an alternative method of reimbursement where it is evidenced that standard Reimbursement Arrangements do not satisfy the “no better, no worse off” principle. It will be a requirement of any Operator claiming such a review to make representations to the Lead Authority providing full details of the basis on which the review is requested. The request must be supported with any available evidence. The Lead Authority may request further evidence to support the review if the information provided is inadequate or incomplete.
- 11.5 The Lead Authority may agree an alternative method of reimbursement with any Operator whose mileage run on Eligible Services which run wholly or partly within the Scheme Area is less than 150,000 miles per annum. The alternative method of reimbursement may be based on the standard method, with an adjusted reimbursement factor, or using another method as determined appropriate by the Lead Authority, based on available evidence.
- 11.6 Where the Operator is providing a service under the terms of a North Yorkshire County Council contract for local bus services, the contract may specify Concessionary Fares Reimbursement Arrangements and the amounts payable. Where this is the case, all reimbursement due for concessionary travel on Eligible Journeys commencing in North Yorkshire and City of York will be reimbursed in accordance with the terms of the contract and not in accordance with the standard method of calculation of reimbursement contained within this Scheme.
- 11.7 Where any new Operator or Eligible Service is admitted to the Scheme the Standard Method of Reimbursement will be applied unless the Operator provides sufficient evidence that an alternative method or rate of reimbursement is appropriate. This will not apply in the case of services as described in section 11.6, where the reimbursement arrangements will be in accordance with the terms of the relevant contract.

CALCULATING THE AVERAGE FARE

12.0 The Average Fare for each operator will be calculated on the basket of adult single, return, day and weekly ticket fares applicable to entire Eligible Services which operate wholly or partly in the Scheme Area. The default trip rate associated with each ticket type is as shown in the table below. Where an Operator is able to provide sufficient evidence of a trip rate for Day or Weekly Tickets that is lower than the default rate, the lower rate may be used by the Lead Authority to calculate the average fare for that Operator.

TYPE OF TICKET	ASSUMED TRIPS PER TICKET	IMPLIED REVENUE PER TRIP PER £
SINGLE	1	1
RETURN	2	0.5
DAY TICKET	3.5	0.29
WEEKLY TICKET	12	0.08

12.1 The Average Fare for each operator will be calculated using claim data already submitted by the Operator to the North Yorkshire Concessionary Fares Partnership, and available for analysis as at 27 February 2011 to establish the level of average fare that will be utilised to calculate due reimbursement from the start of this Scheme. The average fare so determined will form the basis of reimbursement payments to the Operator until varied by any review as specified in section 12.2. The period to which the average fare will be applied may be varied by mutual agreement where more accurate data are made available on a regular basis.

12.2 The Average Fare for each operator will be validated, and if necessary re-calculated, using data available at 28 August 2011, to evaluate the average fare that will apply from the start of the next relevant claim period for each Operator. Thereafter, a review of the average fare will take place at six-month intervals, and the revised Average Fare will be applied for the following six-month period, unless superseded by events as specified in section 12.3.

12.3 The Average Fare calculated for an Operator may be recalculated at any time in the event of any one or more of the following:

- (i) Routine or ad hoc fare changes instigated by the Operator.
- (ii) Substantial changes in any of the services on which the average fare is based.
- (iii) A request by the Operator for a review of the Average Fare, where sufficient

evidence of the need for such a review is provided.

- (iv) A review of any data provided by an Operator, carried out by the Lead Authority in order to validate the level of reimbursement payable.

12.4 Where an Operator's services are seasonal (usually summer services), the review of the Average Fare will take place prior to the commencement of the new season and will be based initially on the previous season's Average Fare. The new season's Average Fare will be adjusted by the Lead Authority based on the average percentage of any fare increases applied by the Operator on the relevant service(s).

12.5 Where fare increases occur substantially above the rate of inflation, as measured by the Consumer Price Index (all items), the Lead Authority may adjust the level of generation accounted for in the calculation of the Reimbursement Factor, to allow for the reduction in patronage which would have occurred had concessionary passengers had to pay full fares. Where this clause is to be invoked, the Lead Authority will provide written notice to the Operator forthwith.

ADDITIONAL COSTS

13.0 In addition to the Standard Method of Reimbursement, the Scheme includes provision for payment of marginal operating costs incurred as a result of participation. This is in the form of an amount per generated passenger, set at 11.57 pence from 1 April 2011. This will be updated from 1 April 2012, and annually thereafter, by the rate of increase in bus industry operating costs for the Northern England region, compiled by the Confederation of Passenger Transport UK, as at the preceding 30 June. Marginal operating costs include, but are not limited to, costs for carrying additional passengers generated by the Scheme, publicity, insurance, ticketing, cleaning or other costs resulting from the extra journeys by Passholders, and administration, data supply and set-up costs incurred as a result of the Scheme.

13.1 Where this allowance falls substantially short of a particular, identified increase in operating costs, to provide increased capacity necessitated by concessionary travel generated by the Scheme, an Operator may submit a specific claim to the Lead Authority for Additional Costs. Such claims must not exceed the amount of the increase in costs, net of any savings attributable to participation in the Scheme and of increased revenue resulting from the additional resources provided, and be supported by appropriate evidence.

- 13.2 All Additional Costs claims will be considered by the Lead Authority, which may request additional information from the claimant. All claims will be considered in accordance with the current Protocol for Administration of Additional Cost Claims. Where the Lead Authority is satisfied that additional costs have been or are being incurred, it will pay the annual amount claimed (or such proportion as it considers to be justifiably attributed to the Scheme) in equal instalments, with the periodic reimbursement payments.
- 13.3 Where Operators believe they may have justifiable grounds for claiming Additional Costs in respect of the deployment of additional resources, they are encouraged to discuss with the Lead Authority, in advance, the proportion of the costs which may be attributable to the Scheme. Any claims for Additional Costs first notified or submitted more than three months after they are identified will be considered and settled only at the discretion of the Lead Authority.

SUPPLY OF DATA AND CONFIDENTIALITY

- 14.0** Each data return addressed to the Lead Authority by an Operator should be supported by appropriate data and information relating to concessionary journeys made by passholders, along with specified data and information relating to other passengers. Specified information will be required to enable the Lead Authority to calculate and monitor the average adult fare for fare-paying passengers on relevant services. Information will also be required relating to the geographical distribution of concessionary journeys to enable the appropriate reallocation of costs to the Issuing Authorities. The precise specification of the information required shall be a matter to be determined between each Operator and the Lead Authority.
- 14.1 All Operators are required to supply these data on a regular basis, normally in the form of data in spreadsheet format from Electronic Ticketing Machines, or an equivalent acceptable to the Lead Authority. The precise specification and frequency of data returns shall be a matter to be determined between each Operator and the Lead Authority.
- 14.2 Operators must record all concessionary journeys undertaken on their Eligible Services accurately, and in a manner satisfactory to the Lead Authority. Only journeys recorded on an Electronic Ticket Machine system, and claims based on auditable data therefrom, will be regarded as satisfactory. Operators who are unable to provide data from Electronic Ticket Machines or their equivalent may have their reimbursement due estimated by the Lead

Authority using data from sample surveys on their services (or other sources at the discretion of the Lead Authority).

- 14.3 Operators must have supplied up-to-date fare tables, route and timetable details for each Eligible Service to the Lead Authority at least 28 days prior to the commencement of a revised Scheme or admission to it. Thereafter details of any amendments, additions or cancellations must be supplied a minimum of 7 days prior to such changes being implemented by the Operator. Should an Operator fail to submit the required information and supporting documentation within the period as specified above, the Lead Authority may, at its discretion, take any action defined in sections 15.2 & 15.3.
- 14.4 The Issuing Authorities shall hold all revenue and patronage information provided by Operators in strictest confidence. This information may only be used for the purposes of scheme administration except that the information may be shared between North Yorkshire County Council and City of York Council for the purposes of public transport planning and monitoring. Any agent or advisor contracted by the Lead Authority shall also hold any such information provided to them in strict confidence.
- 14.5 The Issuing Authorities shall consider all revenue and patronage data supplied as exempt from disclosure under a Freedom of Information Act 2000 request on the grounds of commercial sensitivity. Aggregated statistics and information on reimbursement payments to Operators may however be published by the Issuing Authorities subject to all current legislative provisions.

DATA RETURNS AND PAYMENTS

- 15.0** At the beginning of each period (either monthly or four weekly, as notified to each Operator by the relevant Authority), each Operator will receive a payment in advance, equivalent to a minimum of 80% of the estimated amount of reimbursement due for that period. The Operator will subsequently receive an adjustment payment that will be calculated using the data supplied by the Operator relating to actual concessionary journeys during the relevant period.
- 15.1 The frequency of adjustment payments shall be a matter to be determined between each Operator and the Lead Authority. Adjustment payments will only be made subject to receipt of the relevant data return and supporting evidence for the period in a form acceptable to

the Lead Authority. The data return and supporting evidence must be submitted within 2 weeks of the end of the period.

- 15.2 Should any Operator fail to submit the required data return and supporting evidence within the specified periods, or should the Lead Authority believe that data return and/or supporting evidence supplied is inaccurate in a material respect, the Lead Authority may make payments to or seek repayments from that Operator based on its own estimates of concessionary trips and reimbursement due.
- 15.3 Should any Operator fail to supply the required data return and/or supporting evidence for two successive periods, the Lead Authority may, on giving written notice, forthwith suspend payments to that Operator and, at its discretion, seek immediate repayment of any payments previously made for which no satisfactory evidence is available of the volume and value of concessionary travel. This shall also apply in any case where the Lead Authority has reason to believe that an Operator has ceased to provide Eligible Services within the Scheme Area, or where the Lead Authority believes that an Operator may have been overpaid, whether owing to error or supply of misleading or inaccurate information. If, for such periods, suitable evidence of entitlement to payment is subsequently produced by an Operator more than six months after the end of the relevant payment period, acceptance or otherwise of such evidence shall be at the sole discretion of the Lead Authority.
- 15.4 It is the responsibility of each Operator to claim reimbursement and supply the required data, and neither the Lead Authority nor any Issuing Authority shall have any liability to collect or correct such information, whether by survey or otherwise. Where an alternative reimbursement arrangement is implemented, as outlined in section 11.5, the information required shall be a matter to be determined between each Operator and the Lead Authority.

GENERATED TRAVEL & THE REIMBURSEMENT FACTOR

- 16.0** An explanation of generated travel is included at Appendix 3. From an analysis of generated travel, and a calculation of the level of passengers generated by the Scheme, a Reimbursement Factor is derived for each service category, as defined at 16.1. The Reimbursement Factor is calculated as a proportion of the full fare, which should ensure achievement of the objective that each Operator is “no better and no worse off financially” as a result of participation in the Scheme, as required by legislation.

16.1 Differential Reimbursement Factors, expressed as a percentage of the Average Adult Fare for each Operator, have been derived for services of four different categories, defined by objective criteria. These are:

- (i) Urban – services operating wholly within one urban area, or mainly within an urban area within which it carries over 75% of its passengers.
- (ii) Interurban – services operating between two or more urban areas, unless these clearly perform no interurban function. For the purposes of this definition only, an airport served by international passenger flights will be classed as an urban area.
- (iii) Rural Network – default category for any service not otherwise classified.
- (iv) Special – Park & Ride services, services for special events (where included in the scheme), or services which exhibit levels of generated travel significantly higher than those for other categories, typically owing to predominant use of the services by visitors from outside their area of operation.

Full details of the criteria applied are shown in Appendix 4. Operators will be advised of the category to which each service is allocated, and may request the Lead Authority to review the allocation of any service where the Operator believes that the service has been allocated to the wrong category. The Lead Authority may require the production of reasonable evidence for such a review.

16.2 The Reimbursement Factors applicable from 1 April 2011 are as shown in the following table.

Service category	Reimbursement Factor
Urban	54.15%
Interurban	48.17%
Rural Network	53.80%
Special	45.61%

16.3 Current Department for Transport Guidance on Reimbursing Bus Operators provides for ongoing review of the rate of reimbursement, since the level of travel generated by the Scheme is likely to vary over time. Long-term effects on the level of generated travel will be monitored, and if necessary any Reimbursement Factor will be revised, in consultation with Operators. Operators will be notified of formal arrangements to be implemented for an annual review of the Scheme and associated Reimbursement Arrangements.

SURVEY AND AUDIT

- 17.0** Operators are required to allow authorised officers of any of the Issuing Authorities, or their agents, to travel free of charge on their services for the purpose of carrying out surveys of use by people using concessionary travel passes, and related duties. Such officers should also be provided with, or be afforded facilities to make, a record of the total tickets issued and revenue recorded on each journey they survey.
- 17.1 Operators must retain records of their claims and all supporting data for a minimum period of 18 months following the end of the fiscal year (i.e. 31 March) relating to each data return. The Lead Authority may inspect any such records (including waybills or Electronic Ticketing Machine data) at any reasonable time, and shall have the right to enter upon an Operator's premises and take copies (written and / or electronic) of any relevant records.
- 17.2 In the event of significant fluctuations in data returns and/or evidence submitted by an Operator, or at its discretion, the Lead Authority may request such additional information and evidence as is felt necessary for the verification and accurate calculation of due reimbursement.
- 17.3 In the event of failure or inability by any Operator to maintain or produce adequate records of claims and supporting data, or failure to co-operate with the Lead Authority or authorised survey staff, the Lead Authority may, at its sole discretion, take any action defined in section 15.2 and 15.3 as if the information had not been supplied in the first instance. The Lead Authority may also recover any extraordinary costs incurred in investigating and rectifying the situation, including any additional survey work deemed necessary to establish the most accurate possible estimate of reimbursement due.

Signed: Richard Oney

Assistant Director, Integrated Passenger Transport

North Yorkshire County Council

County Hall, Northallerton DL7 8AH

On behalf of North Yorkshire County Council and City of York Council

Date: 3 March 2011



Sample shows the National Concessionary pass design. All Transport Concession Authorities in England must issue passes to the same standard design, with their own logo in the top right section above the red ribbon.

A pass with a blue strip on the side is issued on the grounds of Age



This sample also shows the National Concessionary pass design. All Transport Concession Authorities in England must issue passes to the same standard design, with their own logo in the top right section above the red ribbon.

A pass with an orange strip on the side is issued on the grounds of Disability



This sample shows a North Yorkshire pass, issued with Companion entitlement. The +C logo in the top right corner, on top of the orange strip is the Companion identifier.

A pass without the +C logo in this standard design means the Passholder is not entitled to the Companion concession.

York passes may also be issued with a Companion logo

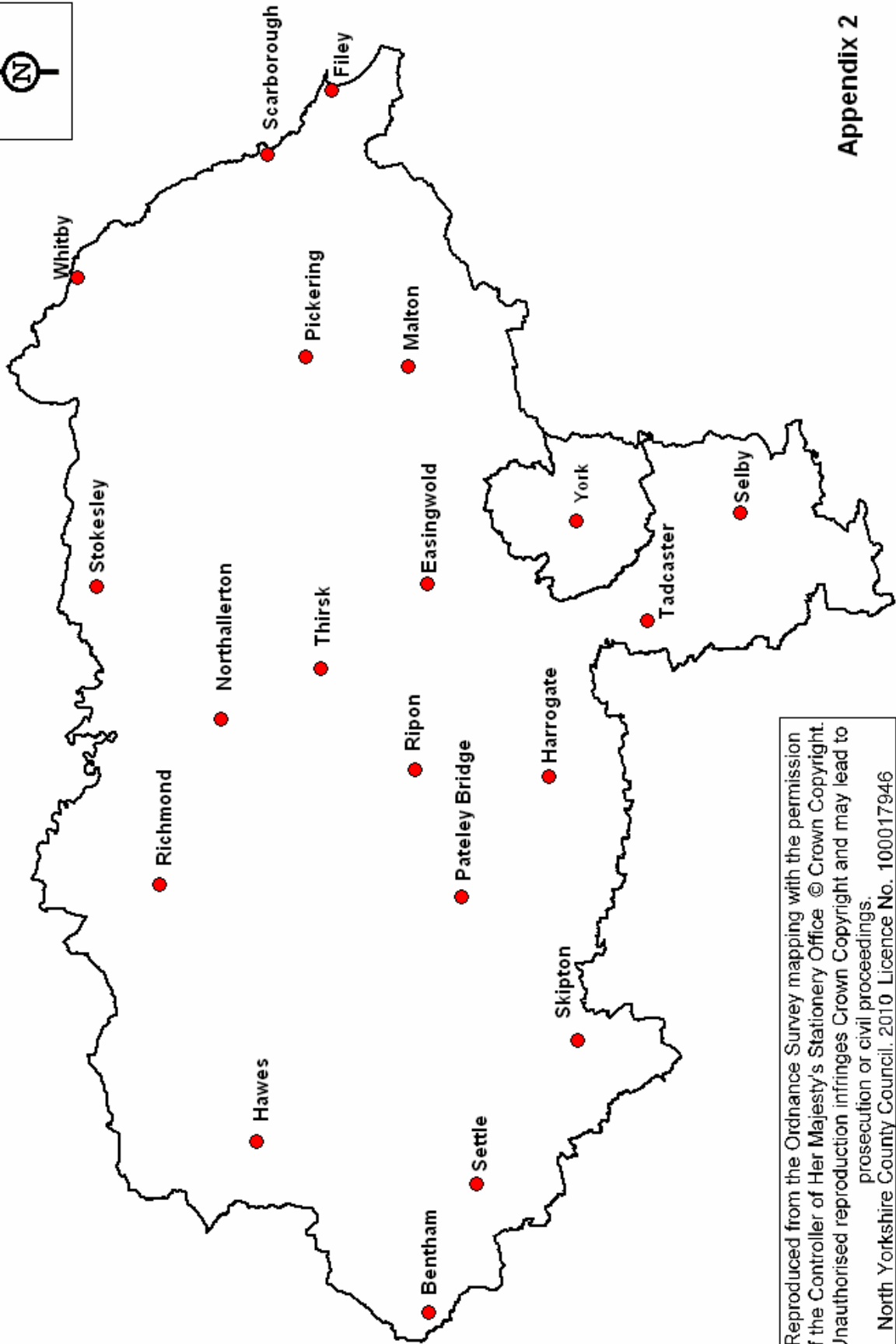
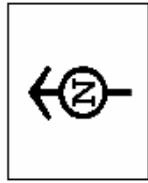


This sample shows a City of York pass, with an extra logo (the eye symbol above the ribbon, top right).

The pass is issued on the grounds of Disability, and provides the Passholder with free travel at all times on journeys within City of York.

NYCC does not issue this type of pass.

North Yorkshire and York Scheme Area



Reproduced from the Ordnance Survey mapping with the permission of the Controller of Her Majesty's Stationery Office © Crown Copyright. Unauthorised reproduction infringes Crown Copyright and may lead to prosecution or civil proceedings.
North Yorkshire County Council. 2010 Licence No. 100017946

Appendix 2

Generation is the term used to describe the additional business that is created when the price of something is reduced. The demand for bus travel, as with other goods and services, is sensitive to changes in price, especially when the price reduces to zero. The existence of a free concessionary travel scheme means that eligible travellers face no cost penalty (at appropriate times of validity) in making an extra trip (or a longer trip), and thus can be expected to make more trips than they would in the absence of the scheme.

The increase in the number or length of trips taken by existing passholders, and greater incentive for eligible people who have not yet obtained a pass to take up the concession, is an inevitable result of improvements in any concessionary fares scheme. Additional or longer journeys made **solely** as a result of the introduction of a scheme, or changes to it, are known as generated travel.

Binding European state aid legislation, repeated in the Travel Concession Schemes Regulations 1986, sets out the underlying principle that Operators should be left financially “no better and no worse off” as a result of participating in the Scheme. This means that Operators should be reimbursed with the total of revenue for those passengers who **would have** travelled, and paid for a ticket, in the absence of any concession. Reimbursement paid to Operators must therefore be adjusted from the total notional value of all concessionary travel at full fares (the “gross revenue forgone”) to take account of the generated journeys, otherwise the operator would receive more revenue than if there were no scheme. It is recognised that this adjustment can only be estimated, and never calculated with exact precision; thus the Regulations state that ensuring operators are “no better and no worse off” is an objective for authorities, rather than a strict duty.

The North Yorkshire Concessionary Fares Partnership, the organisation responsible for the Scheme prior to April 2011, commissioned two thorough investigations into concessionary travel in the Scheme Area over the period from 2005 to 2008. These compared the patterns of concessionary and adult travel in the Scheme Area before and after the various changes to the Scheme since April 2006. The analysis took account of other factors, such as service variations, quality enhancements, demographic and fare changes to estimate the generated travel that resulted directly from the improvements to the Scheme. The analysis completed in 2009 concluded that

differential Reimbursement Factors for different types of service would calculate reimbursement as close as possible to “no better and no worse off”.

The estimation of generated travel leads directly to the determination of Reimbursement Factors appropriate to the Scheme. The Reimbursement Factor is the proportion of the full fare for each concessionary passenger trip that is required to achieve “no better and no worse off”, and equals the proportion of actual trips which would have been made without a scheme. This is normally quoted as a percentage; e.g. the Urban Reimbursement Factor in 2009/10 is 54.15%, or 54.15 pence for each £1 of gross revenue forgone. It should be noted that this is separate from any allowance towards additional marginal costs for carrying the generated passenger trips, which would otherwise effectively be carried free.

A SIMPLE WORKED EXAMPLE

Consider an operator who, before joining a concessionary travel scheme, carried 100 passengers paying an average fare of £1.20, giving total fares income of £120.00. On joining the concessionary free travel scheme, which generated 60% more passengers, he would have 160 passengers, but no cash revenue. If the operator were reimbursed without any adjustment being made for the generated travel, he would receive £192.00, making him £72 better off, contrary to legislation.

In practice, only the number of passengers actually carried (160) is known. To correct the reimbursement it is necessary to multiply the payment per passenger by $100/160 = 0.625$ or 62.50%. The operator then receives $160 \times £1.20 \times 0.625 = £120.00$, which equates to his fares income before the Scheme was introduced.

If the number of generated passengers were higher, at 180, then the Reimbursement Factor would instead be $100/180 = 0.5556$ or 55.56%.

Objective criteria for categorisation of services are necessary to enable fair and transparent classification, without being unduly onerous to administer. Four categories of service type are recognised, as follows:

- Urban – services operating wholly within one urban area, or mainly within that area where it carries over 75% of its passengers.
- Interurban – services operating between two or more urban areas, unless these are clearly of only local value.
- Rural Network – default category for any service not otherwise classified.
- Special – Park & Ride services, services for special events (where included in the scheme), or services which exhibit levels of generated travel significantly higher than those for other categories, typically owing to predominant use of the services by visitors from outside their area of operation.

The discretion implicit in the Interurban categorisation is believed necessary to avoid inappropriate classification of a few services, which terminate in two Urban centres but serve almost exclusively 'local' needs along the route. While judgment of any exceptions will be case-specific, as a guideline a service would not be classified as Interurban if, between the urban areas served:

- passenger trips comprise fewer than 10% of the total on the service; or
- it is scheduled to take more than twice the time of the fastest service.

It has been decided that there is no case for a fifth category, to cover routes offering infrequent (e.g. market-day) services or with special characteristics (e.g. Dial-a-ride) on which generation may be very limited. However, any operator who can provide evidence that a significant proportion of his services exhibit little or no generation may ask the Lead Authority to review the arrangements for his reimbursement in the light of that, and any other, evidence.

The key determinant of service categorisation is the definition of 'urban' areas. This is based on that done by the Office for National Statistics (ONS), using 2001 Census results, which is objective and readily available on the internet¹. It is as follows:

¹ At www.communities.gov.uk/publications/planningandbuilding/urbansettlement2001
North Yorkshire & York Concessionary Fares Scheme

- 'Urban' areas are those identified as 'Urban' or 'Urban_SubLevel' by ONS and which –
 - have a total population of 10,000 or more, or
 - are served by discrete 'town service' buses on at least 5 days per week.

For this purpose only, an airport served by international passenger flights will additionally be classed as an Urban area.

In three cases, separate ONS Urban areas are combined to reflect the reality of local bus operations in the relevant areas. These are:

- Brompton with Northallerton.
- Catterick Garrison with Colburn.
- Bishopthorpe, Copmanthorpe, Dunnington, Haxby, Poppleton, Skelton and Strensall with York.

The list of Urban areas thus designated within the Scheme area is shown in the table below.

Urban Area	Population	Notes
Catterick Garrison / Colburn	11,980	
Glusburn / Steeton	11,368	including 4,105 people in West Yorkshire
Harrogate / Knaresborough	85,128	
Northallerton / Brompton	17,207	
Malton / Norton	11,966	
Richmond	8,178	qualifies on Town Service criterion
Ripon	16,468	
Scarborough / Scalby	57,649	
Selby / Brayton	18,657	
Skipton	14,313	
Thirsk	9,099	qualifies on Town Service criterion
Whitby	13,594	
York	140,427	including suburbs

For information only, Urban areas in neighbouring authorities, which are currently served by cross-boundary interurban routes to and from North Yorkshire, are summarised in the following table.

'Foreign' Urban area	Population	Notes
Barnoldswick	10,859	
Beverley	15,566	
Bridlington	33,589	
Burnley / Nelson	149,796	
Darlington	86,082	
Doncaster	67,977	
Garforth	15,394	
Goole	18,741	
Ilkley	13,472	
Keighley	49,453	
Kingston upon Hull	301,416	
Knottingley	13,503	
Leeds	443,247	
Leeds / Bradford Airport	N/A	International airport criterion
Middlesbrough	134,451	
Otley	13,831	
Pontefract	28,250	
Preston	121,178	
Redcar	36,443	
Wetherby	10,562	

Cross-boundary services to or from Urban areas outside the Scheme area will normally only be categorised as Interurban if they also serve at least one Urban area within the Scheme area.

Eligible Services prior to 0900

Passes issued under the Scheme are valid for concessionary travel on journeys starting at any point within the Scheme Area, at times as specified in section 5.1. Additionally, the Lead Authority has provided an exemption to enable concessionary travel on relevant sections of specific services which operate prior to 0900 Monday to Friday, as listed below:

SER. NO.	TIME	FROM	DESTINATION
M11	0830	Northallerton	Helmsley
Postbus	0854	Foxholes	Malton
X34	0853	Middleton Tyas	Scorton
23	0851	Crosshills	Burnley
24	0740	Pateley Bridge	Harrogate
25	0856	Cowling	Keighley
29	0847	Raskelf	York
30	0715	Gunnerside	Richmond
30	0840	Reeth	Richmond
30	0840	Easingwold	York
56	0848	Ripon	Knaresborough
72	0855	Grassington	Skipton
74	0854	Grassington	Ilkley
80	0750	Hutton Rudby	Northallerton
89	0843	Great Broughton	Northallerton
136	0817	Melmerby	Ripon
156	0851	Thoralby	Hawes
180	0854	Claxton	Malton
195	0730	Elvington	York
210	0800	Malham	Skipton
580	0841	Gargrave	Skipton
580	0859	Gargrave	Settle

[Service details are current at date of publication, and are subject to change. They are not intended to limit the application of this section, which will apply in case of variation to journeys providing corresponding facilities.]

The North Yorkshire and York Concessionary Fares Scheme is administered by North Yorkshire County Council on behalf of North Yorkshire County Council and City of York Council.

Contact us

North Yorkshire County Council, County Hall, Northallerton, North Yorkshire, DL7 8AD

Our Customer Service Centre is open Monday to Friday 8.00am - 5.30pm (closed weekends and bank holidays). Tel: **0845 8727374** email: **customer.services@northyorks.gov.uk**

Or visit our website at: **www.northyorks.gov.uk**

If you would like this information in another language or format such as Braille, large print or audio, please ask us.

Tel: 01609 532917 Email: communications@northyorks.gov.uk

