



## **RUTLAND COUNTY COUNCIL**

### **SCHEME OF CONCESSIONARY TRAVEL FOR OLDER, DISABLED OR UNEMPLOYED PEOPLE**

**With effect from 1<sup>st</sup> April 2022 until 31 March 2023**

#### **CONTEXT**

This document represents the Scheme Definition and Arrangements for Reimbursement for the Rutland Scheme of Concessionary Travel for Older, Disabled or Unemployed People ('Scheme'). The Scheme Definition and Arrangements for Reimbursement herein are to be effective from 1<sup>st</sup> October 2018.

#### **PART A - SCHEME DEFINITION**

##### **Introduction**

1. The Scheme is established and administered by Rutland County Council (the 'Travel Concession Authority') under the provisions laid down in the relevant parts of the Transport Act 1985, the Transport Act 2000, and the Concessionary Bus Travel Act 2007 (and any amendments to those Acts) and all relevant Regulations relating to those Acts.
2. The Scheme covers the statutory elements required by the English National Concessionary Travel (ENCT) scheme, and the local discretionary enhancements adopted by Rutland County Council. In this document references to 'year' means the financial year from 1st April to 31st March, except where otherwise stated.
3. The Scheme includes three main elements:
  - Access Travel - for people who have a statutory entitlement to concessionary travel due to disability in accordance with relevant legislation and any guidance issued by the Secretary of State for Transport;
  - Freedom Travel - for people who have a statutory entitlement to concessionary travel due to age (i.e. they have reached state pensionable age);
  - Travel Aid – for Rutland residents who are claiming Job Seekers Allowance and are actively seeking work (as certified by their local Job Centre Plus).

## **Passes and Alternative Options**

4. The passes or alternative options provided to eligible people whose sole or principal residence is within Rutland are as follows:
  - a) Disabled Persons' Concession (Access Travel):
    - A choice of either an ENCT bus pass or £48 worth of travel tokens each year.
  - b) Older Persons' Concession (Freedom Travel)
    - An ENCT bus pass.
  - c) Unemployed Persons' Concession (Travel Aid)
    - A Rutland County Council issued bus pass enabling the holder to obtain half price local bus travel.
5. People who are eligible both as a disabled and an older person are only entitled to the benefit within one category in any one year.

### **National ENCT Pass Based Concession (Freedom Travel and Access Travel)**

6. Rutland County Council will issue national ENCT passes to eligible people whose sole or principal residence is within Rutland. It is the responsibility of eligible people to apply for their ENCT pass and applicants are responsible for any costs incurred in making their application (including the cost of providing photographs) and in obtaining and presenting the necessary proof of their eligibility.
7. Applicants are required to apply and submit a recent passport sized/type photograph with a completed application form. Applicants for an Access Travel pass are also required to provide proof of address and proof of disability. Applicants for a Freedom Travel Pass are required to provide proof of address and proof of age.
8. Eligible people will receive an ENCT bus pass which will remain valid for a period of four years and for as long as the holder remains living in Rutland. Passes will need to be renewed every four years. Should the pass holder move to another county, the Rutland pass should be surrendered and a new pass requested from the new local authority. Lost, stolen, badly damaged or destroyed passes can be replaced upon payment of a £10 fee.
9. The benefits of an ENCT pass (Freedom Travel and Access Travel) to a passholder are:

- Entitlement to travel free on eligible registered local bus services anywhere in England.
  - Core times that the pass has to be accepted by a bus operator are:
    - a. On journeys boarding at any time between 0930 hours and 2300 hours on Monday to Friday
    - b. All day on Saturday, Sunday and Bank Holidays
10. In addition to the above, Rutland residents who are ENCT pass holders who meet the local qualifying criteria for Voluntary Action Rutland (VAR), the Whissendine Good Neighbour Scheme (WGNS) or the Market Overton Good Neighbour Scheme are able to travel on their social car schemes and only pay 50% of the normal cost of that transport. This additional discretionary entitlement will only be permitted upon the production of a valid ENCT pass bearing the logo of Rutland County Council.

### **Pass Based Concessions (Travel Aid)**

11. Eligible people are required to apply and submit a recent passport sized/type photograph with a completed application form.. Application forms must be endorsed by a member of staff at the JobCentre Plus that they are registered with. A photo card to validate each bus pass will be issued at the initial application. Thereafter the bus pass will need to be renewed and suitably endorsed every four weeks. The benefit of this pass will be entitlement to half fare travel on buses in and around the Rutland area.

### **Token Based Concessions (Access Travel)**

12. Rutland residents who are eligible for concessionary travel on the basis of disability may elect to receive travel tokens instead of an ENCT pass. Each year, eligible people who choose to take this alternative option receive an allocation of £48 worth of Travel Tokens. In-year applications will be awarded an allocation of tokens on the following basis:
- Applications received between 1st April and 30th June = £48.00
  - Applications received between 1st July and 30th September = £36.00
  - Applications received between 1st October and 31st December = £24.00
  - Applications received between 1st January and 31st March = £12.00
13. Travel tokens may be used only in the local area in payment for the fare, or part fare, on taxis and community transport. It should be noted that not all operators will accept tokens so their validity for usage may be limited, and it is the token holder's responsibility to check before booking or travelling.

## **Obligations on Operators**

14. Bus operators must observe the requirements of the relevant Acts of Parliament to enable all holders of valid ENCT passes who produce their pass at the start of their journey to travel free on all eligible local bus services within England at the specified times and be aware of the penalties arising from the Acts in respect of a failure so to do. ENCT passes that are presented and display a likeness to the photo on the card and have not passed the stated expiry date should be accepted. Valid passes should be accepted even if the electronic chip embedded in the pass does not function with a smartcard reader. In this instance, the pass number should be noted by the operator and passed to Rutland County Council.
15. For the discretionary element of the Scheme relating to use of social car schemes operated by Voluntary Action Rutland, Whissendine Good Neighbour Scheme, and Market Overton Good Neighbour Scheme, the named scheme operators have agreed to participate in the Scheme, offering the discounted fare as described earlier in this document.
16. For the Travel Aid discretionary element of the Scheme, bus operators operating in Rutland are required to participate.
17. For the Travel Tokens discretionary element of the Scheme, taxi and community transport operators are requested to accept these – but this is a discretionary decision taken at the operator’s own risk. If tokens are accepted by an operator they can be redeemed by return to the Council.
18. Operators wishing to withdraw from participating in any of the discretionary elements of the scheme are required to give 42 days’ written notice of their intentions, stating the reasons for their decision. Correspondence should be addressed to the Transport Operations Manager at Rutland County Council.

## **Excluded Services**

19. Where a bus operator or its funding organisation (eg. supermarket, college etc) provides vouchers, coupons or other benefit (as well as bus travel) in return for the fare paid that can then be redeemed as full or part payment against goods or services provided by the operator or its funding organisation, then such bus services shall be assumed to have an amenity element to their fare and are therefore deemed to be excluded services unless specifically agreed otherwise with the Travel Concession Authority.

## **PART B - ARRANGEMENTS FOR REIMBURSEMENT**

### **General Principles**

1. The basic principle which underpins reimbursement of operators, as set out in national regulations, is that reimbursement arrangements should have the objective of leaving operators 'no better and no worse off' than they would have been in the absence of the Scheme.
2. Operators have the right to appeal to the Secretary of State, as set out in Department for Transport guidance<sup>1</sup> if they object to these reimbursement arrangements and cannot satisfactorily resolve any issues with the Council.

### **Requirements of Participating Operators**

3. For proper administration of the Scheme and to facilitate the process of reimbursement of operators, transport operators participating in the Scheme shall:
  - i. Maintain adequate records of passenger journeys made under the scheme and fares forgone to provide evidence to enable reimbursement to be properly calculated as set out in these arrangements.
  - ii. Permit (including the right to travel free of charge) officers, servants, agents and/or contractors of the Council or others rightfully acting on its behalf access at any time to the vehicles of the 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 concessionary journeys which, in the opinion of the Council is necessary for the calculation and/or verification of reimbursement payments.
  - iii. Provide at such times as the Council may reasonably request information relevant to the calculation of reimbursement in the form specified at such times. In the event of queries on information provided, the Council (or its agents or contractors) may require an operator to provide access to ticket machine or smartcard data or other data on which the information is based.

---

<sup>1</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/647398/reimbursing-bus-operators-for-concessionary-travel-2018-to-2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/647398/reimbursing-bus-operators-for-concessionary-travel-2018-to-2019.pdf)

- iv. As soon as practical and if possible in advance of it taking effect, notify the Council of any change to fares on any of its services in Rutland.
  - v. As soon as practical and if possible in advance of it taking effect notify the Council of any material change (additions, deletions and/or variations) to its services in Rutland.
  - vi. Provide reasonable assistance to the Council in the operation and administration of the Scheme.
  - vii. Provide reasonable assistance and information to the Council to enable the forward planning of budget requirements to properly fund the Scheme.
4. The Council shall ensure that any information obtained in accordance with paragraph 3 shall be used only for the purpose of administering and managing the Scheme and shall be confidential to the Council and/or its contractors and/or consultants employed to assist in the administration of the Scheme and/or any auditors acting on its behalf.
  5. The Council reserves the right to audit the records and accounts of operators cited in support of claims for reimbursement.

**Reimbursement of Bus Operators for Carrying Concessionary Passholders Under the ENCT Scheme (Freedom Travel and Access Travel)**

6. Bus operator reimbursement is intended to cover:
  - The net fare revenue forgone as a result of the Scheme – i.e. the revenue the operator would have received from those concessionary passengers who would otherwise have travelled and paid a fare in the absence of the Scheme; and
  - Net additional costs incurred as a result of the Scheme – this includes the marginal cost of carrying additional passenger trips generated by the offer of free travel or reduced price travel (i.e. concessionary passholder trips that would not have been made in the absence of the scheme) or other costs that would not have been incurred in the absence of the scheme. This includes marginal operating costs, marginal capacity costs, any peak vehicle requirement costs and scheme administration costs, as defined in DfT guidance.
7. Bus operators will be reimbursed at an overall reimbursement rate of 75% of gross fare revenue forgone to cover all elements listed above. This has been derived based on runs of the most recent

Reimbursement Calculator<sup>2</sup> published by the Department for Transport (DfT), in line with the latest published Department for Transport guidance on operator reimbursement<sup>3</sup>. These were undertaken using the most up-to-date robust local data available from Rutland bus operators.

8. Gross fare revenue forgone will be calculated for each operator as follows:

$$G = J \times F$$

Where:

- G is gross fare revenue forgone  
J is the validated number of passenger journeys made under the ENCT elements of the Scheme  
F is the average fare forgone

9. The average fare forgone (F) will be calculated using the DfT's Reimbursement Calculator. In line with the DfT guidance cited above, it is intended that the "Discount Factor" method will be used for all operators except where any of the following criteria are met, in which case the "Basket of Fares" approach will be used:

- Operators with cash fares only
- Operators with only cash fares and weekly tickets
- Operators with no cash fares
- Operators with atypical ticket price combinations such that the daily ticket to average cash fare price ratio is greater than 5 (before or after degeneration)
- Operators with ticket price ratios such that the Discount Factor method would lead to the proportion of daily or period tickets to cash fare ticket sales being higher than the corresponding proportion for current fare paying passengers
- Where 60% or more of an operator's concessionary passenger boardings (on services serving a Council's area) are carried on buses where the average weekday daytime frequency (09.30 to 18.00) is one bus per hour or less

### **Reimbursement of Operators for Carrying Travel Aid Passholders**

10. Operators will be reimbursed at an overall reimbursement rate of 100% of gross fare revenue forgone to cover all elements listed above. In this case, gross fare revenue forgone will be equal to the sum of half-fares paid by Travel Aid passholders on an operator's bus services.

---

<sup>2</sup> <https://www.gov.uk/government/publications/concessionary-bus-travel-reimbursement-calculator>

<sup>3</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/647398/reimbursing-bus-operators-for-concessionary-travel-2018-to-2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/647398/reimbursing-bus-operators-for-concessionary-travel-2018-to-2019.pdf)

## **Reimbursement of Social Car Scheme Operators for Carrying ENCT Scheme Passholders**

11. The designated social car scheme operators included within the Scheme will be reimbursed at an overall reimbursement rate of 100% of gross fare revenue forgone to cover all elements listed above. In this case, gross fare revenue forgone will be equal to the sum of half-fares paid by ENCT passholders on the relevant social car schemes.

## **Reimbursement for accepting Travel Tokens**

12. Operators wishing to be reimbursed via the Council are required to pre-register with the Council as a participant. Tokens should be handed in at either Oakham Library or Customer Services at the Rutland County Council offices at Catmose, Oakham. A receipt will be given and reimbursement will be made within 28 days, either by cheque or bank transfer.

## **Payment of Reimbursement Due**

13. In line with historic practice in Rutland, operators will normally be reimbursed based on invoices submitted monthly, in arrears. A report must be attached to the invoice providing supporting information, allowing the number of concessionary journeys carried during the preceding month and the gross fare revenue forgone to be calculated. The required report content and format will be specified by the Council. Where operators are submitting an invoice for more than one route, the report must be broken down to show the required data for each route. The Council will only pay invoices once the accompanying report/data justifying the reimbursement amount claimed is submitted with correct data and in the correct format.
14. Should adjustments to correct errors in invoices or accompanying reports be required, any credit or debit balances arising will normally be recouped by adjusting the payments due in subsequent invoices accordingly. However, the Council reserves the right to invoice an operator for any amount owed if reclaiming through such adjustment is not feasible.
15. For any operator for whom payment monthly in arrears is not acceptable, an alternative arrangement is available. This has part-payments (75%) based on forecast monthly reimbursement amounts made in the middle of each month and a reconciliation payment (positive or negative) based on actual figures at the end of each quarterly period. Operators who wish to adopt this arrangement must notify the Council accordingly.



16. Bus operators expected to receive total reimbursement totalling £50,000 or more in respect of a financial year must provide data based on electronic ticket machine (ETM) records.

### **Arbitration**

17. In the event of a dispute between an operator and the Council in connection with the application of these arrangements for reimbursement which cannot be resolved after a reasonable period of time by discussions between the parties the matter may be referred to arbitration by either party. The use of arbitration does not affect any legal rights that either party might otherwise have. Matters that may be referred to arbitration include the following but in all cases must be fully supported with detailed evidence endorsed by appropriate professional advisors:
  - a) A dispute over the calculation of reimbursement payments (but not the value of parameters which form part of these Arrangements for Reimbursement);
  - b) A dispute over the value of the average fare forgone used in the calculation of reimbursement payments;
  - c) A dispute over numbers of concessionary passengers carried.
18. The arbitrator may be an individual or body agreed between the Council and the operator concerned or in default of agreement an independent arbitrator appointed by the President of the Institute of Arbitration. The matter of costs shall be dealt with as part of the process of arbitration. Any such arbitration shall be without prejudice to the rights of Participating Operators under Part V of the Travel Concession Schemes Regulations 1986 and/or Section 150(3) of the Transport Act 2000 (as amended) and/or any other relevant legislation and/or regulations.