THE LANCASHIRE, BLACKBURN WITH DARWEN AND BLACKPOOL JOINT CONCESSIONARY TRAVEL SCHEME

1. Introduction
The Lancashire, Blackburn with Darwen and Blackpool Joint Concessionary Travel Scheme (“the Scheme”) is made in accordance with and subject to the Transport Act 1985 and 2000 (“the Acts”), and all such Regulations made thereunder.

The Scheme is jointly made by the Unitary Councils of Blackburn with Darwen and Blackpool, the District Councils of Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre (hereinafter called "the Travel Concession Authorities" (TCAs)) and Lancashire County Council to provide concessionary travel to older and disabled persons as defined in Section 146 of the Transport Act 2000 and the Travel Concessions (Eligibility) Act 2002.

For the purposes of the administration of the Scheme, reimbursements to operators, the undertaking of surveys and the making and receiving of notices, Lancashire County Council will act on behalf of all the authorities.

The Scheme provides the statutory minimum set out in the Transport Act 2000 as amended by the Concessionary Bus Travel Act 2007 and also continues to provide certain enhanced concessions.

This document covers the reimbursement arrangements for both the Transport Act 1985 wider Scheme as well as the statutory minimum introduced under the Transport Act 2000 as amended by the Concessionary Bus Travel Act 2007.

Operators should note that the reference to date of admission to the Scheme at Section 8 and withdrawal at Section 19 of this document relates to a Scheme made under the Transport Act 1985.

The Scheme will apply for the 2009/10 Local Authority financial year and will be reviewed for 2011/12.

2. Type of Concession
Persons eligible to receive the travel concessions set out at Schedule 2 Part I of the Scheme will be issued with an English National Concessionary Travel Scheme (ENCTS) smart card by the Travel Concession Authority in which they have sole or principal residency.

Persons eligible to receive concessions, whose sole or principal residence is in the areas listed at 1 above, will be issued with a NoWcard ENCTS entitling the holder to the travel concessions set out in Schedule 2 Part I and II.

Concessions will only be available on production by the concessionaire of a valid ENCTS smart card or NoWcard ENCTS. The use of the smart cards will be subject to the conditions which are printed on the pass and individual operators Conditions of Carriage.

The initial NoWcard ENCTS pass shall be issued free of charge. The TCAs may make a reasonable charge to issue a replacement pass to reflect the cost of its production.
Persons eligible to receive concessions may opt to be issued with travel tokens or a railcard as an alternative to an ENCTS pass where this option is offered by a TCA listed at 1 above.

Transitional Arrangements - Passes issued by Greater London Authorities (freedom passes)
The Concessionary Bus Travel (Permits)(England) Regulations 2008 provides that the existing freedom passes issued to residents of Greater London be valid for free travel until 31 March 2010 in the area of the Scheme as set out at Schedule 2 Part 1.

3. Area of the Scheme
The Scheme will apply to all eligible journeys made within the areas of the TCAs listed at 1 above and, at certain times as specified in Schedule 2 II, to journeys starting or finishing in these areas which cross boundaries and commence or terminate in the neighbouring authorities of the Counties of Cumbria and North Yorkshire, the Passenger Transport Authorities of Greater Manchester, Merseyside and West Yorkshire, and the Unitary Authority of Warrington.

4. Services Covered by the Scheme
The scheme will apply to Local Bus Services within the above area. The scheme will not apply to excursions, tours or express services, unless the express service is approved by Lancashire County Council in accordance with Schedule 2 Part III.

5. Times When Concession Applies
The concessions shall apply at times specified in Schedule 2 Parts I and II.

6. Eligibility Qualifications
The persons eligible to receive concessionary travel passes in the Travel Concession Authorities set out at 1 above are set out in Schedule 1 Part I.

All those persons who have been issued with, and are in possession of a valid ENCTS smart card or a NoWcard ENCTS at the time of travel are entitled to use the Scheme.

7. Commencing Date of the Scheme
The Scheme will commence on 1 April 2009. The Companion Pass Scheme set out in Schedule 1 Part II will commence from a date to be agreed with the transport operators and to be announced.

8. Dates of Admission
All services to which the scheme applies will be included from the date on which any participation notice takes effect. However, any eligible service will, if the operator wishes, be included in the scheme from the first date on which it operates or not later than 28 days from the date of the operator's application to participate in the scheme.
9. Issuing and Accuracy of Tickets
Operators must take all reasonable steps to ensure that the concessionary ticket issued correctly shows the destination stage for the journey requested by the concessionary pass holder, and any concessionary fare payable by the passenger. The County Council and the TCAs may take reasonable steps to check the accuracy of concessionary tickets issued and claims made by operators. The Scheme shall not be liable for the cost of any concessionary tickets issued dishonestly or negligently by operators or their staff. Payments due to the operator in respect of the scheme shall, unless otherwise agreed by the County Council, be reduced by a sum equal to ten times any overcharge identified by the County Council.

10. The Calculation of the Reimbursement of Operators
Reimbursement for the concessions set out in Schedule 2 will be made by the Scheme.

It shall be the objective of the Scheme to reimburse operators so that they are no better and no worse off for participating in the scheme.

The Scheme will progressively use ITSO format smart transactions for the calculation of reimbursement of operators as the NoWcard Project is implemented. The methodology for smart transactions is set out at 11 below.

In the period prior to smart transactions, the calculation of an operator's net loss revenue will be based on an estimate of fares foregone as a result of giving concessions on services to which the Scheme applies, less any additional revenue from travel generated by the granting of the concession. In calculating the net loss, account will also be taken of any additional or reduction in costs resulting from giving the concession.

The estimate of the gross revenue lost will be made by one or more of the methods a) to c) listed below:

a) The use of data provided by an operator using Electronic Ticket Machines specifying the number of passengers and, where applicable, total fares paid by each category of concessionary pass holder. Where Electronic Tickets are used the boarding and alighting stage should be recorded and the adult fare for the journey recorded in the operators back office system for use when completing a reimbursement claim form. All concessionary passengers must be issued with a ticket.

b) Where electronic equipment is not used, determination by the use of survey data of the percentage of an operator's patronage and revenue represented by each category of concessionary pass holders. Where surveys are required because an operator has declined to participate in the NoWcard Project the full costs of the surveys will be deducted from the reimbursement due.

c) Where a) and b) are not applicable the use of an alternative method of reporting concessionary travel as agreed with the operator.

Using the information in a), b) or c) above, the calculation of the revenue foregone for each category of concessionary pass holder will be made by Lancashire County Council.
Whichever method, a) b) or c), is used to determine gross lost revenue, operators will be required to declare each payment period the total revenue and passengers carried for all passenger classes on its services.

11. Calculation of Gross Lost Revenue

i. The gross lost revenue will be determined from the relevant adult single fare for the journey, adjusted for the estimated discount that would have been available to passengers making journeys which would have been eligible for return fares or any 1-day ‘rover’-type ticket available at the time of travel. This adjustment will be determined as follows:

ii. For each operator the following will be ascertained (see vi) below):
   a) The range of single fares for which discounted return tickets are available
   b) The rates of discounts given on return tickets
   c) If different arrangements apply at various times, to different services or along sections of a route, the information to be collected on a service by service basis. Where appropriate, alternative arrangements may be agreed with individual operators if this assists with simplifying the calculations.
   d) Maximum fares applicable to journeys, which are available (including ‘rover’-type tickets).
   e) For the times and days when free fares are available, the number of single, return and (where this is less than the maximum cost of two single tickets) ‘day-rider’ or ‘rover’-type adult (not including concessionary) fares paid together with the total revenue from each individual adult single fare value where an adult return ticket is available. Where different discounts apply at different times, to different fares and/or on different services or sections of a service the information will be supplied in a form which enables it to be possible to calculate the average value and % discount given to an adult fare paying passenger purchasing a return ticket during the ‘off-peak’ period when free and flat-rate concessionary fares apply.

iii. Using the information outlined in ii) (e) the percentage of adults travelling at return fares for each particular adult single fares value will be calculated. The basis of this arrangement is to then assume that the same percentage of concessionary travel pass users would have purchased return tickets for each relevant adult single fare.

iv. The shadow fare used for reimbursement will be capped at any maximum return or rover-type fare available for the journey. The percentage of adult tickets established as being day-rider or rover-type as in ii) (e) above will be progressively applied to the highest single fares recorded against concessionary fares for the period.

v. When calculating the operators’ reimbursement due to them the percentage of the journeys identified in iii) above will not be paid as if they were single trips but instead as if the passenger had purchased a return ticket. The value of the return fare will be based on the information detailed in ii) (e) above which is then divided by two to represent one leg of the return journey but always limited by the arrangement outlined in iv above.

vi. The information will at all times be limited to the times at which the concessionary fares are available.
If an operator supplies data which it can prove, to the authorities' satisfaction, provide a more accurate basis of the calculation of revenue foregone then that data will be used. When the necessary software is available, the arrangements in 12 below will be applied.

The identified gross lost revenue will be adjusted to allow for the effects of generated travel resulting from participation in the scheme. The Generation Factor to be used in calculating the net revenue foregone for free fares is 100.0%, producing a reimbursement rate of 50.0%.

For flat-rate fares the generation factor will be variable dependant on the average equivalent adult fare and is determined by the formula:

\[
\text{Full Fare Equivalent less Flat Fare (passenger revenue)} \quad \text{--------------------------------------------- x 100.0%} \\
\text{Full Fare Equivalent}
\]

12. Smart Card Transactions
When the necessary software is available, the process will change as follows:

a) Data for usage of Concessionary passes will be matched by pass to identify the actual number and proportion of return journeys made. This will be analysed and the actual proportion will be substituted for the proportion determined as in 10 above. It will be assumed that passholders making a return trip would, in the absence of a concessionary travel scheme, have purchased the cheaper of a return or day ticket. However, it will not be assumed that day tickets are used for more than two trips. Lancashire County Council will endeavour to make the software, which performs the matching process available to operators. If this is not possible for licensing or legal reasons, then Lancashire County Council will make the files supporting the matching calculations available to operators for checking. In the event of an operator not being provided with appropriate software which will enable them to automatically audit and determine the correct concessionary fares reimbursement entitlement on a service by service basis, the TCA’s will reimburse operators for any reasonable and necessary additional costs they incur in auditing LCC data and in modifying their management information systems, which arise as a direct consequence of these concessionary fare arrangements.

b) For those journeys deemed to be return journeys as in 11 v) above, the maximum fare payable for each single leg of the journey will be one half of the day-rider or rover-type fare available where this is less than the appropriate return fare.

Operators participating in the Scheme, and equipped with smart card readers by other smart card projects, will be reimbursed via ITSO transactions when their parent project goes live.

Operators participating in the Scheme who are not part of another smart card project can apply to NoWcard for a grant to equip with smart card readers.

13. Electronic Ticket Machine Data
For both ETM and smart card transaction reimbursement will be based on the adult fare for the journey taken by the concessionary pass holder. Operators will be requested from time to time to provide ETM data to enable the fares recorded for concessionary pass use to be audited.
14. Additional Costs
For free fare concessions 2.5% of gross revenue foregone will be paid, in addition to
the reimbursement rates at 11 above, to reflect all additional costs incurred by
operators in carrying concessionary passengers. No additional costs will be paid for
flat fare concessions.

15. Payments to Non-Smart Operators
Operators not equipped with smart card readers, or operators with non-live smart
readers, will be paid for each four weekly period. Operators will be provided each
financial year with a timetable detailing when payments will be made for each
payment period. Payments will be made using data provided by operators on Claims
Forms, which will be provided by the County Council. The Claim Form will specify the
latest date claims should be submitted. Any claims not submitted by the specified
date will not be processed until the next payment date.

16. Advance Payments
In recognition of the reduction in cash flow resulting from a transfer from half and flat
fare concessions to a free concession operators will receive an advance payment
each period. The advance payment will be equal to the reimbursement amount paid
to operators in the corresponding period in the 2008/09 financial year, adjusted, if
appropriate, for any change in the reimbursement rate. This advance payment will be
deducted in each subsequent period. Advance payments will be made until such
time as smart-live operation is implemented or more frequent payment periods are
introduced.

17. Certificate of Accuracy
Operators will be required to supply for each financial year the Scheme operates a
Certificate of Accuracy (within the meaning of Regulation 16 of the Regulations) in
respects of an audited statement of revenue and total passengers carried in each of
the four weekly periods. In the event of any underpayment in the reimbursement for
the relevant financial year, a balancing payment will be made within three months of
the receipt of the audited revenue statement. In the event of any overpayment a
deduction will be made from reimbursement payments in any subsequent period.
Failure of an operator to provide a properly authorised Certificate of Accuracy will
result in payments being suspended until the Certificate is received.

18. Passenger Surveys
An operator taking part in the scheme will allow accredited representatives of the
authorities holding a valid authority to travel free of charge on the vehicles of
the operator for the purpose of: -
   i) Inspection of tickets for the purpose of counting or estimating the value
      of travel undertaken by concessionary pass holders
   ii) Obtaining information on other matters relating to the journeys made
        by passengers who are not eligible to receive concessions and
        necessary to the calculations by the authorities of reimbursement
        payments.

19. Changes in Services and Fares
Any operator taking part in the scheme will supply the County Council with details of
any changes to services which are part of the Scheme at least 56 days in advance of
the date the changes will take effect. Changes to fares should be notified at least
seven days before changes take effect and the appropriate faretable(s) provided to
the County Council.
20. Withdrawal from the Scheme
An operator voluntarily participating in a Transport Act 1985 Scheme (i.e. a
ccessionary travel scheme which is more generous than that provided by the
Transport Act 2000 as amended by the Concessionary Bus Travel Act 2007) must
give 42 days notice of its intention to withdraw. An operator cannot withdraw from the
mandatory scheme.

21. Identification of Vehicles and Notices
Any operator taking part in the scheme must carry in or on any vehicle used in
connection with this scheme any mark, identification or notice, as may be required
from time to time by the authorities, to indicate that eligible passengers using the
vehicle are entitled to travel at a concessionary rate or to disseminate information to
concessionary pass holders.
SCHEDULE 1

PART I

ELIGIBILITY CRITERIA FOR THE ISSUE OF CONCESSIONARY TRAVEL PASSES TO OLDER AND DISABLED PERSONS

Issued by Unitary or District of

Eligibility Criteria

Blackburn with Darwen
An older person is a person who has attained pensionable age (within the meaning of Schedule 4 of the Pensions Act 1995) and whose sole or principal residence is in the administrative area of an issuing Authority listed in this Schedule

Blackpool
A disabled person is a person whose sole or principal residence is in the administrative area of an issuing Authority listed in this Schedule and is disabled by means of:

Burnley
a) blind or partially sighted

Chorley
b) profoundly or severely deaf

Fylde
c) without speech

Hyndburn
d) has a disability, or has suffered an injury, which has a substantial and long term adverse effect on his ability to walk

Lancaster
e) does not have arms or has long-term loss of the use of

Pendle
f) has a learning difficulty, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning

Preston
both arms

Ribble Valley
f) has a learning difficulty, that is, a state of arrested or incomplete development of mind which includes significant impairment of intelligence and social functioning

Rossendale
impairment of intelligence and social functioning

South Ribble
g) would, if he applied for the grant of a licence to drive a motor vehicle under Part III of the Road Traffic Act 1988 have his application refused pursuant to section 92 of that Act (physical fitness) otherwise than on the grounds of persistent misuse of drugs or alcohol

West Lancashire

Wyre

PART II

A. TRAVEL CONCESSIONS FOR COMPANIONS OF DISABLED PERSONS

Persons eligible for a disabled concessionary may apply for a Companion Pass which entitles the companion to concessionary travel as set out at Schedule 2 Part II.
SCHEDULE 2

PART I

CONCESSIONS FOR OLDER PERSONS AND DISABLED PERSONS

Holders of Valid English National Concessionary travel passes can travel free of charge on journeys on local bus services:

a. which commence at a boarding point within the Scheme area and
b. which do not involve a change of vehicle or re-booking and
c. which operate between 0930 and 2300 Mondays to Fridays

There is no time restriction on Saturdays Sundays or Bank Holidays.

Journeys commencing outside the Scheme area, unless otherwise specified in Schedule 2 Part II are not covered by this agreement and the fare charged and the reimbursement of operators will be in accordance with the Concessionary Travel scheme for the area in which the journey commences.

For the purposes of defining bus stops at district boundaries the stops listed in Part III of this Schedule should be used.

PART II

A. Holders of **NoWcard** English National Concessionary travel passes issued by the Travel Concession Authorities listed at Clause 1 and Schedule 1 above can travel free of charge between 0930 and 2300 Mondays to Fridays and all day on Saturdays Sundays and Bank Holidays on:

a) The Fleetwood to Knott End-on-Sea ferry service
b) Tramcar services in Blackpool and Wyre (except special tours and excursions)

B. Holders of **NoWcard** English National Concessionary travel passes issued to disabled pass holders by the Travel Concession Authorities listed at Clause 1 and Schedule 1 above can travel at a 50p flat fare on journeys on local bus services:

a. which commence at a boarding point within the Scheme area
b. which commence at a boarding point outside the Scheme area and terminate within the Scheme area

c. which do not involve a change of vehicle or re-booking
d. which commence before 0930 Mondays to Fridays

C. Holders of **NoWcard** English National Concessionary travel passes issued to pass holders by the Travel Concession Authority of West Lancashire can travel at a 50p flat fare on journeys on local bus services:

a. which commence at a boarding point within West Lancashire
b. which commence at a boarding point outside West Lancashire and terminates within West Lancashire

c. which do not involve a change of vehicle or re-booking
d. which commence before 0930 and after 2300 Mondays to Fridays
D. Holders of NoWcard English National Concessionary travel passes issued to disabled pass holders by the Travel Concession Authorities of Blackpool and Wyre can travel at a 50p flat fare on journeys on Blackpool Tramway services:
   a. which commence at a boarding point within the area of the pass issuing Travel Concession Authority
   b. which commence at a boarding point outside the area of the pass issuing Travel Concession Authority and terminates within that Authority
   c. which do not involve a change of vehicle or re-booking
   d. which commence before 0930 Mondays to Friday

E. Holders of NoWcard English National Concessionary travel passes issued to disabled pass holders by the Travel Concession Authority of Wyre can travel before 0930 weekdays at a 50p flat fare on the Fleetwood to Knott End Ferry.

F. Free Travel at all times and on all services starting in the Scheme area and on cross boundary services which start or finish in the Scheme area is to be allowed for the following persons who are in possession of a valid pass permitting such concessions.
   i. Persons who have lost the use of both hands or cannot distinguish between different coins (visual impairment plus tactile or learning difficulties)
   ii. Persons living in Rossendale aged 90 years or over
   iii. Certain persons living in West Lancashire

G. Holders of NoWcard English National Concessionary travel passes issued by the Travel Concession Authorities of Blackburn with Darwen, Chorley, Fylde, Hyndburn, Lancaster, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire and Wyre can travel free of charge between 0930 and 2300 Mondays to Fridays and all day on Saturdays Sundays and Bank Holidays on community transport services which are recognised by the authorities.

H. Holders of NoWcard English National Concessionary travel passes issued by the Travel Concession Authorities of Blackpool, Burnley and Pendle can travel at half adult fare between 0930 and 2300 Mondays to Fridays and all day on Saturdays, Sundays and Bank Holidays on community transport services which are recognised by the authorities.

I. Holders of NoWcard English National Concessionary travel passes issued by the Travel Concession Authority of West Lancashire can travel at a flat fare of 50p before 0930 and after 2300 Mondays to Fridays on community transport services which are recognised by West Lancashire.

J. Companion passes issued by the Travel Concession Authorities to eligible disabled persons entitle the companion to the appropriate concession set out in Schedule 2 Part I and II when accompanying the pass holder.
SCHEDULE 2
PART III

Express or Limited Stop Services

A service shall be treated as ‘Express’ for the purpose of the Scheme if:

   a) It is registered as a Limited Stop service with the Traffic Commissioners: or
   b) It is not available for boarding and alighting at all bus stops along its route: or
   c) Its route includes any section of Motorway

Operators of such services are required to provide Lancashire County Council as administrators of the scheme with full details including timetables and fare tables of the express services within seven days of the date of the agreement or of registration. The council will then give a decision within 14 days as to whether, in its view, the service complies with the Regulations and is eligible for admission to the Scheme.