

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

Section 145 of the Transport Act 2000 (“the Act”) provides for mandatory travel concessions to be provided by operators of eligible services (at present local bus services) to certain classes of passenger, including those who are elderly or disabled. These provisions come into force in Wales on 1 April 2002.

Section 149 of the Act requires travel concession authorities (county and county borough councils) to reimburse operators for providing the concessions in accordance with arrangements agreed with the operators or determined by the authorities.

These Regulations are made under sections 149(3) and 150(6) of the Act, which give the National Assembly for Wales (“the National Assembly”) the power to make regulations with respect to such arrangements, the manner of making reimbursement payments to operators and applications to the National Assembly by operators who consider that they may be prejudicially affected by proposed reimbursement arrangements.

Regulation 3 sets the overall objective for reimbursement arrangements, namely that operators should not be financially better or worse off as a result of providing mandatory travel concessions.

Regulation 4 requires that reimbursement payments must meet the costs incurred by operators in providing mandatory travel concessions and defines those costs.

Regulation 5 makes provision for the periods in respect of which payments are to be calculated and the dates when they must be made.

Regulation 6 requires authorities to adopt a standard method for determining the total number of journeys made by those entitled to the concessions and the fares values to be attributed to those journeys. Regulation 7 requires authorities to review the calculations made in accordance with the standard method at least once every three years.

Regulation 6(6) permits authorities, with the approval of the National Assembly, to establish criteria for exempting operators (for example those operating very limited services) from the standard method, providing the operators in question agree, in the interests of avoiding placing an unreasonable administrative or financial burden on them.

Regulation 8 requires authorities, when adopting the standard method and when calculating reimbursement payments in accordance with that method, to have regard to guidance given by the National Assembly.

Regulations 9 to 17 make provision for information which operators may be required to provide under reimbursement arrangements and how it may be used by authorities. If an authority requires operators to instal ticketing equipment to a particular specification, regulation 16 requires the authority to bear the cost of providing and installing it.

Regulation 18 prohibits the employment of a holder of a PSV operator’s licence by authorities as agents for administering reimbursement arrangements.

Regulation 19 prohibits provisions in arrangements which would require the operator to alter the manner in which the service is provided, other than those required to give effect to Part II of the Regulations.

Regulations 21 to 32 provide the procedures to be followed when an operator applies to the National Assembly for a modification to proposed reimbursement arrangements on the grounds that the operator considers that it may be prejudicially affected by the proposals.