



24 January 2017

Donald Carmichael
Director, Transport Policy
Transport Scotland
Victoria Quay
EDINBURGH
EH6 6QQ

Dear Donald

AGREEMENT ON NATIONAL CONCESSIONARY TRAVEL ARRANGEMENTS 2017-18

I acknowledge receipt of your letter dated 23 January 2017 setting out details of our ongoing discussions and updating of the concession reimbursement model, which has allowed both a reimbursement rate and budgetary requirement to be calculated.

I can confirm that we are in agreement that the key outcomes from the above mentioned discussions are:

1. The reimbursement rate for 2017-18 will be 56.9%.
2. The above rate reflects the use of an agreed set of assumptions and implies a budgetary requirement for Transport Scotland of £196.16m.

I can also confirm that we look forward to continued partnership working on updating the model in order to provide reimbursement terms for 2018-19, as well as reviewing the model in light of any changes to the scheme, which may result from your planned consultation. We are also happy to engage in further discussions on your plans to include young people as eligible for the scheme, as and when these plans become clearer. It may well be the case that both of these actions would require a significant level of work to be undertaken and I would ask that we commence work on this at the earliest possible opportunity.

In terms of the necessary legislative changes required, I look forward to receiving a draft copy of the proposed Statutory Instrument in due course. I can also confirm that we are happy to liaise on the respective timing of any media releases and the letters that will be required to be sent to all participating operators.

I would take the opportunity to thank your team for the open and constructive manner in which these negotiations have been concluded.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Mair', is written over a circular stamp. The signature is written in a cursive style.

George Mair
Director, Confederation of Passenger Transport UK - Scotland

Confederation of Passenger Transport UK - Scotland

2 Walker Street Edinburgh EH3 7LA Telephone: 0131 260 5107 DDI: 0131 260 5109 Facsimile: 0131 260 5106

Email: george.mair@cpt-uk.org website: www.cpt-uk.org