



# **DERBYSHIRE COUNTY COUNCIL Place, Passenger Transport DPS**

**SCHEDULE C1 (Local Bus, Mainstream Home to School  
Transport and Primary School Swimming Services  
Services)**

**CONTRACT PAYMENT TERMS**

**INCLUDING PAYMENT PROTOCOL**

**FOR BLOCK SUBSIDY CONTRACTS ONLY**

**Schedule C1 Local Bus and Mainstream School Transport Payment  
Schedule - Version Control**

Version	Author	Date	Comments	Approved by
1.0	I K Gregory	December 2022	Final	

**SCHEDULE C1 – Block Subsidy ONLY**

**CONTRACT PRICE AND PAYMENT TERMS**

**Contracting Authority:** Derbyshire County Council  
**Vendor ID:** XXXXXXXXXXXXXXXXXXXXX  
**Operator Name:** XXXXXXXXXXXXXXXXXXXXX  
**Contract ID Number/Name:** XXXXXXXXXXXXXXXXXXXXX  
**Commencement Date:** 02 January 2023  
**Contract Type:** Net subsidy / Cost reimbursement  
(delete as necessary) \*

\*Note for operators: All revenue must be returned to the Council if the contract is awarded on a Cost reimbursement basis.

Subject to satisfactory performance of the Service in compliance with the terms of this Agreement, the Council shall pay the Contract Price to the Operator in accordance with the sums detailed in, and on the dates detailed in, this Schedule.

The Contract Price for the Service shall be as set out in the Contract Price Table below. The agreed tendered rate has been calculated into an annual contract value and divided into 12 equal monthly payments.

CONTRACT NUMBER	MONTH	CHARGE PER MONTH
	January to December (12 equal payments)	

Where the tendered rate is based on a daily price the table below is a summary of the daily/weekly contract price.

CONTRACT NUMBER	XXXXXXXXXXXX	
DAILY COST	DAY	DAILY TOTAL
	MON	
	TUES	
	WED	
	THURS	

	FRI	
	SAT	
	SUN	
	BANK HOLIDAY	

<b>CONTRACT PRICE</b>	
Total Annual Contract Value	£xxxxxx

\* Payments shall be based on a calendar month payment cycle and only for the days that the contract has operated in line with the mini competition specification Schedule B and adjusted for any disruption.

**SCHEDULE C2 - Payment Protocol – Block Subsidy Only**

**1. Administrative arrangements for payments under a block subsidy contract**

- 1.1 Every calendar month a payment will be made by electronic transfer direct to the Operators bank account following the Council receiving an invoice requesting payment.
- 1.2 Operators providing net subsidy contracts shall retain all fare revenue and shall charge the agreed monthly rate quoted.
- 1.3 Operators providing cost reimbursement contracts shall return all fare revenue to the Council and this shall be clearly shown on invoices submitted. This shall be deducted from the agreed monthly charge.
- 1.4 Where a minimum 24-hour notice is advised to the Operator that transport will not be required to run, the days of suspension will not be chargeable by the Operator unless specifically agreed with the Councils PTU.
- 1.5 The payment will include all amounts outstanding and any adjustments for any retrospective changes to payments already made.

- 1.6 Thereafter, the Operator will be sent remittance advice detailing how the payment is made up.
- 1.5 Operators are required to put appropriate arrangements in place to complete and check their payment claim along with the remittance advice to ensure that payments relate to eligible service delivery only i.e., those days that transport occurred for passengers relating to the days of operation set out in Schedule B or in any subsequently agreed Contract Variation issued by the Council for this agreement.
- 1.6 Operators are required to notify the Council of any changes that may affect the subsidy payments by completing and submitting a detailed invoice electronically at the end of each calendar month. Invoices found to be incorrect will not be cleared for payment or amended by the Council and will be returned to the Operator.
- 1.7 If any amount overpaid exceeds the amount to be paid to the Operator in the next available payment period, then the Council will seek to recover the overpayment over each subsequent payment period as is required to settle it in its entirety. However, at the Councils reasonable discretion and in exceptional circumstances, the Council may agree to phase the repayment over more than one payment period from the outset or it may be recovered by the Council issuing of an invoice.
- 1.8 It is the Operators responsibility to notify the Councils PTU of the days the contract has not operated during a period. No subsidy payments can be made until an accurately completed invoice is received electronically by the PTU.
- 1.9 Notwithstanding the above provisions, the Operator must notify the Councils PTU of any changes in circumstances, which they should reasonably consider will affect the eligibility for subsidy payments as soon as practicable.

## **2. Over/under payments**

- 2.1 This section outlines the procedures for dealing with adjustments to payments to compensate for under/overpayments and inaccurate payment claims.
- 2.2 If any dispute as to errors or changes cannot be settled as soon as reasonably possible of the Operator notifying the Council of any such errors or changes, then either party may require the disagreement to be dealt with under the provisions of clause 33 dispute resolution. An appropriate adjustment shall be made once any such dispute is settled or determined.

- 2.3 As the Subsidy is paid in calendar monthly instalments, in arrears. It should be uncommon for changes in circumstances to take place during a period for which payment has been claimed, creating an under/overpayment for that period.
- 2.4 Any overpayment is payable back to the Council from the date any overpayment(s) started or from an alternative date if agreed between the Council and the Operator.
- 2.5 If an under/overpayment is caused by the PTU team failing to act on any change in circumstances reported by the Operator, or the Operator failing to notify us in a timely manner of any such change in circumstances, subject to any evidence (e.g., claim validation with establishment) needing to be sought, the adjustment shall be made in a subsequent payment to the Operator.
- 2.6 If an adjustment can only be made after the expiry date relating to the contract concerned or after this Agreement has been terminated then the Operator must pay the Council any overpayment and the Council must pay the Operator any underpayment as soon as possible after the amount of any such adjustment has been agreed or decided upon.

### **3. Recovery of sums outstanding**

- 3.1 This Schedule sets out the Protocol by which the Council will recover overpayments made and adjust any underpayment the Council may make under this Agreement. However, nothing in this Schedule shall prevent sums outstanding, whether or not at the termination of this Agreement, being recoverable by either party as a civil debt.

### **4. General**

- 4.1 The Operator shall comply with this Schedule C1 throughout the Agreement. The Council reserves the right from time to time to issue amendments to this schedule and shall make available copies of the same to the Operator. Such amendments shall be deemed to form part of the terms and conditions of the Agreement and the Operator shall comply with the requirement set out within.