Concessionary Fares Key Controls
Update on progress against partial audit recommendations: November 2018

Finding	Audit recommendation	Responsible officer	Target date	Management Response	Progress to date
1.1 Financial and trend analysis	We recommend the Concessionary Fares Officer ensures financial and trend analysis is carried out from April 2018. This should include trend analysis on aspects such as: • Somerset cards being used in other areas • changes to routes and passenger numbers • average fare, patronage and reimbursement levels	Concessionary Fares Officer	From July 2018	A concessionary fares tool has now been introduced and this allows trend analysis using information provided on claim forms, including period to period comparison. This will be used regularly after 2018-19 Q1 claims have been submitted to allow trends to be tracked.	COMPLETE: Trends are now tracked through the automated validation spreadsheet analysis tool, which highlights variances to the Concessionary Fares Officer for further investigation. Changes to routes are notified through the registration process.
1.2 Claim form	We recommend the Concessionary Fares Officer liaises with the operators to ensure they are aware of the need to complete the manual override box on the claim form.	Concessionary Fares Officer	From July 2018	The use of the manual override box was being trialled during Q3 and Q4 of 2017-18 however because this was not a mandatory requirement of the Somerset Concessionary Travel Scheme in place at the time it could not be enforced. This has now been included in the 2018-19 Scheme and claim forms have been amended to reflect the additional information required. Any operator submitting a claim with any missing data will have their claim returned for completion before any reimbursement will be considered.	COMPLETE – All Operators are completing the manual override box. Completing the manual override box is mandatory under the 2018/19 scheme and claims are not paid unless this box is completed. A 5% threshold is enforced, and operators are challenged if this rises above 5% on claims submitted

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1.3 Validation Spreadsheet	We recommend that the Concessionary Fares Officer amends the validation spreadsheet to include calculation formulae.	Concessionary Fares Officer	From July 2018	The spreadsheet has been developing since the HOPS dashboard started being used to verify claims in July 2017. This spreadsheet is now being formalised and modified for 2018-19 to include formulae and conditional formatting to automatically calculate and highlight variances as part of the validation process.	COMPLETE: The validation spreadsheet analysis tool has been formalised and includes calculation formulae.
1.4a Commercial Analysis and Fare Tables	We recommend that the Concessionary Fare Officer carries out regular sense checks of the commercial claim made by operators, using trend analysis to identify the operators that should be focused on. Such checks should be carried out using third party commercial data, where this is possible. Fare tables should be obtained from all operators and used for these checks.	Concessionary Fares Officer	July 2018	All operators have been asked to submit updated fare tables alongside their Q1 reimbursement Claims if they have not already done so. There have been some issues with CPICC codes which affect both HOPS and back office data, and work has been ongoing to address these. The data cleansing carried out already on CPICC codes has led to a considerable improvement in the accuracy of operator claims already.	ONGOING: All operators have submitted fare tables and the new data spreadsheet has the functionality to check trend analysis for individual routes and operators, which is ongoing. Intensive work has been undertaken to ensure CPICC codes are correct, so that claims are based on the correct bus boarding stages.
1.5 Data	I recommend the	Concessionary	Oct.	Back office data will be requested	ONGOING:

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Analysis	Concessionary Fares Officer liaises with the operators and Ticketer to gain access to [third party ticket machine] data. This should be provided quarterly by operators or directly from Ticketer to allow for accurate analysis.	Fares Officer	2018	from operators on a spot check basis to compare with HOPS data and the number of manual concessionary tickets declared on operator reimbursement claims. Bus surveys will also be undertaken to further verify ticket types and patronage declared by operators. We will also liaise with operators, Ticketer and Smartcard Applications Management (SAM) to seek direct access to source data, again on a spot-check basis. With current resource levels it will not be possible to request source data from operators / third party providers and compare this with claims for every quarter for every operator; instead we propose a more proportionate spot-check regime which checks operator claims retrospectively on a rolling basis across one or two financial years.	Spot checks on ticket back office data are in place to cross reference ticket type and concessions claimed.

It is proposed that the 2019/20 Scheme will make submission of ticket data along with claims to be a mandatory condition for verification purposes before concessionary payments can be made.

'Mystery shopper' officers have been checking routes for operators to compliment the verification process and to target routes with high % of manual tickets.

These developments are recent and work is in progress to embed and formalise a spot-check regime. |