



Dated

2016

**MERSEYTRAVEL
ARRIVA NORTH WEST LIMITED
GLENVALE TRANSPORT LIMITED**

**VOLUNTARY PARTNERSHIP
AGREEMENT**

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This Agreement is made on

2016

Between

- (1) **Merseytravel** a body corporate established by statute (the Transport Act 1968) whose address is at 1 Mann Island, Liverpool, L3 1BP (**Merseytravel**);
- (2) **Arriva North West Limited** (No. 00523376) a company incorporated in England and Wales whose registered office is at 1 Admiral Way Doxford, International Business Park, Sunderland, Tyne & Wear SR3 3XP (**Arriva**); and
- (3) **Glenvale Transport Limited** (No.03990677) a company incorporated in England and Wales whose registered office is at Daw Bank, Stockport, Cheshire SK3 0DU (**Stagecoach**).

each a **Party** and together the **Parties**.

Whereas

- (A) The Parties wish to create an alliance in respect of bus services in the Liverpool City Region (**LCR**).
- (B) This Agreement sets out how the alliance will function and how the Parties will collaborate in relation to the bus offer to the public in the LCR.
- (C) The Parties wish to formalise these arrangements by creating an alliance within the Voluntary Partnership Agreement Framework (as defined in section 153(2) of the Transport Act 2000).
- (D) The Parties acknowledge that the Competition Test set out in Part 2 of Schedule 10 of the Transport Act 2000 has been considered and pursuant to paragraph 22(1) of Schedule 10 of the Transport Act 2000; this Agreement is considered to be an exempt voluntary multilateral agreement.

It is agreed

1 Definitions

- 1.1 In this Agreement the following words and expressions shall have the following meanings, unless the context otherwise requires:

ADR Notice has the meaning ascribed to such term in clause 14.8

Affiliate means in respect of either party, a company which is a Subsidiary of that party or which is a Holding Company of that party, or a Subsidiary of such Holding Company, in each case for the time being

Alternative Investment Proposal means a proposal delivered by an Operator as part of its Investment Remedial Action Plan setting out how it proposes to deliver alternative Investment where it is unable to deliver its current Investment

Bank Holiday means a statutory bank holiday in the UK

Bus Franchise Decision has the meaning given to it in clause 17.3

Bus Franchising Termination Event means:

- (a) the LCR Combined Authority resolves to make a Bus Franchise Decision; or
- (b) the event in clause 17.1(d) occurs; or
- (c) the event in clause 17.1(e) occurs

Business Day means any day other than Saturday, Sunday, Christmas Day, Good Friday or a Bank Holiday

Business Hours has the meaning ascribed to such term in clause 29.2(a)

Change of Control means there is a change of control of an Operator (within the meaning of section 1124 of the Corporation Tax Act 2010)

Commercially Sensitive Information means the information listed in Schedule 6 comprising the information of a commercially sensitive nature relating to an Operator, its intellectual property rights or its business or which an Operator has indicated to Merseytravel that, if disclosed by Merseytravel, would cause the relevant Operator commercial disadvantage or financial loss

Confidential Information means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of a Party, including intellectual property rights, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential, including Commercially Sensitive Information

Contract Year means any period of twelve (12) months commencing on 1 April during the Term, provided that the first Contract Year shall be the period commencing on the Effective Date and ending on the following 31 March and the last Contract Year shall be the period commencing on 1 April prior to the Termination Date and ending on the Termination Date

Cross Boundary Services means the Services provided over the Network by the Operators where the majority of the mileage of those Services is outside the LCR

Data Sharing Agreement means those agreements in respect of data sharing listed in Schedule 4 of this Agreement

Delivery Obligations means the delivery obligations of each party in relation to the Milestones as set out in Schedule 2 (Performance Management Framework – Milestones)

Delivery Programme means the programme agreed between the Parties which specifies how and when the Milestones shall be delivered, such programme as updated by agreement between the Parties from time to time

De-Minimis Contract means a bus service contract directly awarded to a bus operator by Merseytravel in accordance with the Service Subsidy Agreements (Tendering) Regulations 2002 (as amended)

Discloser means a Party to this Agreement when it discloses its Confidential Information, directly or indirectly, to a Recipient

Dispute means a dispute or difference of opinion between the Parties in connection with the Agreement including Legal Disputes

Dispute Notice has meaning ascribed to such term in clause 14.3

Effective Date means the date of this Agreement

Emergency Service Change means:

a change to Services required as a consequence of:

- (a) an operator in the LCR becoming insolvent and an Operator seeks to introduce new Services on routes formerly operated by the insolvent operator; or
- (b) an event outside the control of an Operator that materially affects such Operator; or
- (c) unplanned temporary road works or utility works

Enhanced Partnership means by virtue of a Parliamentary enactment, the LCR Combined Authority is afforded additional powers to form more flexible alliances with bus operators in the LCR

Environmental Information Regulations or **EIRs** means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations

Exempt Services means:

- (a) Cross Boundary Services;
- (b) third party funded services; and
- (c) services procured by authorities other than Merseytravel

Exiting Operator means an Operator who has served a Termination Notice on the other Parties to this Agreement with the intention of terminating its participation in this Agreement

FOIA means Freedom of Information Act 2000, and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation

Force Majeure Event means any cause affecting the performance by a Party of its obligations under this Agreement arising from acts, events, omissions or non-events beyond its reasonable control, including, without limitation, acts of God, riots, war, acts of terrorism, fire, flood, storm or earthquake and any disaster, but excluding any industrial dispute relating to an Operator

Governance Structure means the document setting out the governance structure set out at Schedule 8

Highways Authority means Liverpool City Council, Halton Borough Council, Knowsley Metropolitan Borough Council, St. Helens Metropolitan Borough Council, Sefton Metropolitan Borough Council and Wirral Metropolitan Borough Council as appropriate and any successor from time to time

Holding Company shall have the meaning given in section 1159 Companies Act 2006 and shall include parent and subsidiary undertakings as defined in section 1162 Companies Act 2006 (each section being as in force at the date of this Agreement)

Information has the meaning given under section 84 of FOIA

Initial Joint Business and Investment Plan means the Joint Business and Investment Plan for the first Contract Year as set out in Schedule 7 of this Agreement

Initial Period means the period from the date of this Agreement until and including 1 April 2018

Investment means each Party's required level of investment pursuant to the Joint Business and Investment Plan

Investment Remedial Action Plan has the meaning ascribed to such term in clause 9.7

Investment Review means a review of each Party's level of Investment and Milestones in the Partnership conducted in accordance with clause 9

Joint Alliance Board means the governance board more particularly described in clause 6

Joint Business and Investment Plan means the investment and business plan prepared jointly between the Parties including the Initial Joint Business and Investment Plan

Joint Cleaning Regime means the regime agreed between the Parties in connection with cleaning relating to the services on the Network

Key Workstreams means:

- (a) the Network Design Workstream
- (b) the Customer Development/Growth Workstream
- (c) the Network & Punctuality Workstream
- (d) the Customer Experience – On Bus Workstream
- (e) the Customer Experience – Off Bus Workstream
- (f) the Ticketing Workstream
- (g) any other workstreams agreed between the Parties from time to time,

each as set out and more particularly described in Schedule 1 (Key Workstreams)

LCR means The Liverpool City Region being the geographical areas of the district councils for the local government areas of Halton, Knowsley, Liverpool, Sefton, St. Helens and Wirral

Legal Dispute means a dispute or difference of whatsoever nature arising out of, in connection with or in relation (in any manner whatsoever) to this Agreement (save for the matters relating to the agreement of the Joint Business and Investment Plan and the Milestone of each Party for the forthcoming Contract Year).

Marketing and Communications Strategy means the marketing and communications strategy to be agreed between the Parties following the appointment of the marketing agency

Material Matters means:

- (a) level of Investment;
- (b) significant underperformance of any Party's obligations under this Agreement; and
- (c) any significant deviation from the Delivery Programme set out in the Joint Business and Investment Plan

Merseytravel Network Review means an independent review of the LCR bus network commissioned by Merseytravel to be undertaken on a location by location basis

Milestone Date means the dates in relation to each Milestone set out in Schedule 2 (Performance Management Framework – Milestones) as may be amended from time to time

Milestones means the milestones of each Party to this Agreement set out in Schedule 2 (Performance Management Framework – Milestones) as may be amended from time to time

Minimum Standards means:

- (a) each Operator shall operate buses with a maximum average bus fleet age of seven (7) years;
- (b) there shall be one point of contact for customer care;
- (c) all Operator drivers shall undertake the New Driver Customer Care Training Course;
- (d) each Operator shall adhere to the terms of the Real Time Information Strategy for the LCR;
- (e) each Operator shall be contractually bound by a Ticketing Agreement in relation to SMART Ticketing and the requirement to use the Walrus platform;
- (f) each Operator will comply with the terms of the Marketing and Communications Strategy;
- (g) all newly registered buses used in the LCR will be fitted with WiFi and USB charging points and such functionality shall be maintained throughout the duration of this Agreement;
- (h) each Operator shall adhere to the terms of the Joint Cleaning Regime

Multi-Operator Tickets means a bus ticket delivered through the Walrus Platform used on the Network which is valid for bus travel on all Operator Services

Multi-Operator Ticketing has the meaning ascribed to such term in clause 10.3

Network means the bus network over which the Services are operated by the Operators pursuant to this Agreement which shall include, as set out at clauses 7.24 to 7.26 (inclusive), Tendered Services and De-Minimis Contracts, but excluding Exempt Services

New Driver Customer Care Training Course means the new driver customer care training course to be agreed between the Parties pursuant to this Agreement

New Operator Accession Proposal has the meaning ascribed to such term in clause 13.2

Operator means Arriva or Stagecoach and any other operator that become a party to this Agreement from time to time and within the Term

Operator Group means each Operator and its Affiliates and **member of the Operator Group** shall be construed accordingly

Operator Network Review has the meaning ascribed to such term in clause 7.8

Part B Matters means the matters designated as Commercially Sensitive Information or Confidential Information by the Parties

Partnership means the alliance comprised of Partnership Members

Partnership Members means Merseytravel and each of the Operators

Performance Indicators means the key performance indicator metric used to evaluate the performance of the Partnership Members pursuant to the Delivery Programme

Permitted Purpose means Confidential Information (or any part thereof) permitted to be used by a Recipient only in connection with performing its obligations under this Agreement

Performance Management Framework means the performance indicators and milestones framework set out in the Joint Business and Investment Plan and reviewed by the Parties on an annual basis

Post Network Review Service Change Dates means the last Sunday of January, the last Sunday of April (as may be altered by joint agreement of all Parties if it falls on Easter Sunday) and the first Sunday of September in each year

Programme Board means the governance board more particularly described in clause 6

Quarterly Assessment means an assessment of the performance of each Party against the relevant Milestones as set out in Schedule 2 (Performance Management Framework - Milestones) and delivery of the investment required against the Joint Business and Investment Plan

Real Time Information Strategy means the strategy agreed between the Parties to provide customers with real time information relating to the services on the Network

Recipient means a Party to this Agreement when it receives Confidential Information, directly or indirectly from the Discloser

Resource Saving means when the Parties, or a Party, reduces the cost of providing resources as a consequence of a project implemented pursuant to this Agreement

Request for Information means a request for information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations

Route means a route or series of routes, sections or corridors of the Network

Services means the bus services provided by the Operators over the Network

Service Change means any change (including additions/reductions) to any Services forming part of the Network made by the Operators and/or Merseytravel

Service Change Procedure means the procedure set out in clauses 7.11 to 7.20 (inclusive)

Smart Ticketing Milestones means the Milestones relating to smart ticketing set out in Schedule 2 of this Agreement (Performance Management Framework – Milestones)

Stakeholder Board means the governance board more particularly described in clause 6

Subsidiary shall have the meaning given in section 1159 Companies Act 2006 and include parent and subsidiary undertakings as defined in section 1162 Companies Act 2006 (each section being as in force at the date of this Agreement)

Tendered Services means subsidised transport services for which there is an obligation to invite tenders under section 89 of the Transport Act 1985

Term means the term of this Agreement as set out in clause 4

Termination Assistance Period means a period of three (3) years from the date of a Termination Notice or such other period specified in the Termination Notice pursuant to clause 17.1

Termination Assistance Services means the services provided by an Exiting Operator during the Termination Assistance Period

Termination Assistance Service Change Dates means three (3) dates in each calendar year, such dates to be determined by Merseytravel following consultation with the Operators

Termination Date means the date on which this Agreement ends or an Operator's participation in this Agreement ceases as appropriate

Termination Notice means a written notice served by one Party on the other Parties to this Agreement stating:

- (a) its intention to terminate this Agreement or its own participation in this Agreement;
- (b) the reasons for such intention to terminate; and
- (c) the date that such termination should take effect

Termination Period means the later of:

- (a) three (3) years from a Bus Franchise Decision; and
- (b) 1 April 2021

Ticketing Agreements means the agreements to be entered into on or around the date of this Agreement between Merseytravel and separately each of the Operators, such agreements setting out the terms of, amongst other things, Multi-Operator Ticketing in the LCR

Walrus Platform means the ticketing platform owned by Merseytravel which shall be used by the Operators in order to further the Partnership's ticketing objectives including SMART ticketing and Multi-Operator Ticketing

Workstream Meeting means a governance meeting attended by representatives of the Partnership Members designed to deal with the day-to-day workings of the Partnership and more particularly described at clauses 6.1 to 6.3 (inclusive)

2 Interpretation

2.1 In this Agreement, except where the context otherwise requires or expressly states:

- (a) the masculine includes the feminine and the neuter and vice versa; the singular includes the plural and vice versa;
- (b) a reference in this Agreement to any clause, paragraph, schedule, appendix or annex is except where it is expressly stated to the contrary, a reference to such clause, paragraph, schedule, appendix or annex of this Agreement;
- (c) reference to this Agreement or to any other document shall include any permitted variation, amendment or supplements to such document;
- (d) a reference to a person includes firms and corporations and that person's successors and permitted assignees or transferees;
- (e) references to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument (including any EU Instrument) as amended, replaced, consolidated or re-enacted;
- (f) words preceding **include**, **includes**, **including** and **included** shall be construed without limitation by the words which follow those words unless inconsistent with the context, and the rule of interpretation known as ejusdem generis shall not apply;
- (g) the list of contents and the headings to the clauses and parts of this Agreement and to the paragraphs of the schedules are for the ease of reference only and shall not affect the construction of this Agreement;
- (h) the schedules form part of this Agreement and will have the same force and effect as if expressly set out in the body of this Agreement;
- (i) any time of day is a reference to time in London, England; and
- (j) all amounts stated in this Agreement are stated excluding VAT and all formulae in this Agreement used to calculate amounts do not take into account VAT.

3 Consideration

In consideration of the mutual undertakings contained herein, each of the Parties agrees to the terms and conditions of this Agreement.

4 Commencement and duration of Agreement

This Agreement shall commence on the Effective Date and shall continue in full force and effect until terminated in accordance with clause 17.

5 Purpose and Key Workstreams

- 5.1 The Parties agree to enter into the Partnership and to work collaboratively in order to improve bus transport in the LCR having regard to the Key Workstreams as set out at Schedule 1 of this Agreement.
- 5.2 The Parties shall have regard to the Key Workstreams when negotiating the Joint Business and Investment Plan and the Milestones in each Contract Year.
- 5.3 Each of the Parties acknowledges that the Key Workstreams are solely aspirational and that the contents of Schedule 1 (Key Workstreams) shall not be binding on the Parties. A failure to achieve the Key Workstreams by any of the Parties shall not constitute a breach of this Agreement.
- 5.4 The Parties shall agree a Delivery Programme in respect of each workstream to facilitate the fulfilment of each of the Milestones by the relevant Milestone Date.

6 Governance

Workstream Meetings

- 6.1 Workstream Meetings shall take place on a regular basis (which shall be at least monthly).
- 6.2 The purpose of Workstream Meetings shall be to:
- (a) monitor the Partnership's performance against the agreed activities and Milestones within each workstream; and
 - (b) where required in the event of underperformance, identify possible remedial action.
- 6.3 The following items shall be referred to the Programme Board:
- (a) any proposed changes to or non delivery of Milestones;
 - (b) any Material Matters within the programme set out in the Delivery Programme;
 - (c) the Marketing and Communications Strategy; and
 - (d) any issues that cannot be resolved at a Workstream Meeting.

Programme Board, Joint Alliance Board and Stakeholder Board

Frequency of meetings and administration

- 6.4 The Programme Board shall meet on a monthly basis. In advance of a Programme Board meeting, Merseytravel will prepare and circulate a proposed agenda for the meeting and each of the Operators may propose additional items. Merseytravel and each of the Operators shall circulate, at least forty-eight (48) hours in advance of the meeting, any related reports or documents required or reasonably requested by any other member of the Programme Board for consideration at or subsequent to any meeting.
- 6.5 The Joint Alliance Board shall meet quarterly in each Contract Year on the dates agreed by the Parties. A maximum of two quarterly meetings may be convened via teleconference. In advance of a Joint Alliance Board meeting, Merseytravel will prepare and circulate a proposed agenda for the meeting and each of the Operators (and other members of the Joint

Alliance Board) may propose additional items. Merseytravel and the Operators shall circulate in advance of the meeting any related reports or documents required or reasonably requested by any other member of the Joint Alliance Board for consideration at or subsequent to any meeting.

- 6.6 Where the Parties agree that there are Part B Matters that need to be considered at the Joint Alliance Board Meeting, those matters shall only be considered by the Partnership Members.
- 6.7 The Stakeholder Board shall meet at least biannually in each Contract Year on the dates agreed by the Parties.
- 6.8 Each Party shall procure that its representatives on the Programme Board, the Joint Alliance Board and the Stakeholder Board perform their functions at all times.

Membership of each respective board and rules

Programme Board

- 6.9 At the Effective Date the Programme Board shall comprise the following:
- (a) up to three (3) representatives of Merseytravel;
 - (b) up to three (3) representatives of Arriva;
 - (c) up to three (3) representatives of Stagecoach;
 - (d) one (1) representative of the LCR Transport Advisory Group (highways lead); and
 - (e) up to three (3) representatives of each additional Operator that joins this Agreement from time to time pursuant to clause 13.
- 6.10 The identity of the representatives of each member of the Programme Board may be rotated without notice and as frequently as each member sees fit provided that each representative is properly affiliated with the relevant Programme Board member.
- 6.11 Provided that at least ten (10) Business Days' written notice has been given to each of the Parties, the minimum quorum for each meeting of the Programme Board shall be one (1) representative of Merseytravel and one (1) representative of each Operator.
- 6.12 At a meeting of the Programme Board, on a show of hands the representatives of each Party shall have the following weighted voting rights:
- (a) Merseytravel – 50%
 - (b) Arriva – 33%; and
 - (c) Stagecoach – 17%.
- 6.13 Where a new Operator joins the Partnership pursuant to clause 13, the Programme Board weighted voting rights of each of the Operators shall be adjusted to reflect the proportion of commercial mileage run by that Operator's Services in the previous three (3) months when compared to the aggregate run by all Operators on the Network in the equivalent period, provided that Merseytravel's weighted voting right remains at fifty percent 50%.

- 6.14 Where an Operator exits the Partnership pursuant to clause 17, the Programme Board weighted voting rights of each of the Operators shall be adjusted to reflect the proportion of commercial mileage run by the remaining Operators in the previous three (3) months, provided that Merseytravel's weighted voting right remains at fifty percent 50%.
- 6.15 The Operators to the Partnership shall annually review the allocation of the weighted voting rights of the Programme Board to take effect on 1 April during the Term.
- 6.16 A decision of the Programme Board shall be made by the Parties representing at least ninety percent (90%) of the total voting rights of all Parties eligible to vote.
- 6.17 Where the Parties holding at least ninety percent (90%) of the voting rights fail to resolve a matter by voting in the same manner, such matter shall be referred to the Joint Alliance Board for resolution.

Joint Alliance Board

- 6.18 At the Effective Date the Joint Alliance Board shall comprise the following:
- (a) Chief Executive of Merseytravel;
 - (b) the managing director of Arriva Bus UK;
 - (c) the managing director of Stagecoach Bus UK;
 - (d) a representative from the Programme Board for Merseytravel and each of the Operators party to this Agreement;
 - (e) a member of the LCR LEP;
 - (f) A Director of Transport Focus
 - (g) Chief Executive of the Campaign for Better Transport; and
 - (h) a representative of any other Operator that joins this Agreement from time to time,
- where those people set out in clause 6.18(e) - (g) (inclusive), together shall be the **Joint Alliance Board Chair Candidates**.
- 6.19 The chair of the Joint Alliance Board shall be selected by Merseytravel and each Operator member of the Joint Alliance Board on a majority basis from the Joint Alliance Board Chair Candidates.
- 6.20 Provided that at least thirty (30) Business Days' written notice has been given to each of the Parties, the minimum quorum for each meeting of the Joint Alliance Board shall be one (1) representative of Merseytravel, one (1) representative of each Operator and the chair or the chair's appointed representative.
- 6.21 All attendees listed in clause 6.18 shall be able to appoint an alternate to represent them at the Joint Alliance Board, provided that the alternate has been notified and approved in advance (such approval not to be unreasonably withheld or delayed) by Merseytravel.
- 6.22 At a meeting of the Joint Alliance Board, on a show of hands the representatives of each Party shall have the following weighted voting rights:

- (a) Chief Executive of Merseytravel – 50%
 - (b) the managing director of Arriva Bus UK – 33%; and
 - (c) the managing director of Stagecoach Bus UK – 17%.
- 6.23 Where a new Operator joins the Partnership pursuant to clause 13, the Joint Alliance Board weighted voting rights of each of the Operators shall be adjusted to reflect the proportion of commercial mileage run by that Operator's Services in the previous three (3) months when compared to the aggregate run by all Operators on the Network in the equivalent period, provided that Merseytravel's weighted voting right remains at fifty percent (50%).
- 6.24 Where an Operator exits the Partnership pursuant to clause 17, the Joint Alliance Board weighted voting rights of each of the Operators shall be adjusted to reflect the proportion of commercial mileage run by the remaining Operators in the previous three (3) months, provided that Merseytravel's weighted voting right remains at fifty percent 50%.
- 6.25 The Operators to the Partnership shall annually review the allocation of the weighted voting rights of the Joint Alliance Board to take effect on 1 April during the Term.
- 6.26 The members of the Joint Alliance Board listed at clause 6.18(d) - (g) (inclusive) and 6.18(h), shall not be entitled to vote on any business at the meeting.
- 6.27 A decision of the Joint Alliance Board shall be made by the Parties representing at least ninety percent (90%) of the total voting rights of all Parties eligible to vote.
- 6.28 Where the Parties holding at least ninety percent (90%) of the voting rights fail to resolve a matter by voting in the same manner, save for matters relating to the agreement of the Joint Business and Investment Plan and the Milestones for the forthcoming Contract Year, such matter (which may include agreed Milestones) shall be referred to dispute resolution pursuant to clause 14 of this Agreement.
- 6.29 Where the Joint Alliance Board is unable to resolve a dispute relating to the Joint Business and Investment Plan or proposed Milestones for the forthcoming Contract Year prior to the commencement of that contract year (**JBIP Dispute Contract Year**), this Agreement shall terminate on the date that is the three (3) year anniversary of the commencement of the JBIP Dispute Contract Year and the provisions of clause 17.1 (Termination Assistance) shall apply.

Stakeholder Board

- 6.30 At the Effective Date the Stakeholder Board shall comprise the following:
- (a) the Lead Officer for Transport for Liverpool City Region (Chief Executive Merseytravel);
 - (b) the managing director of Arriva Bus UK;
 - (c) the managing director of Stagecoach Bus UK;
 - (d) Combined Authority Portfolio Lead for Transport;
 - (e) Chair of the Merseytravel Committee;
 - (f) Merseytravel Committee Lead Member for Bus;

- (g) senior politicians involved in the transport sector in the LCR;
- (h) [personal data redacted];
- (i) members of the wider business community;
- (j) the Senior Traffic Commissioner;
- (k) a senior representative of the Police;
- (l) the North West representative from the Department for Transport;
- (m) Chair of the Joint Alliance Board; and
- (n) the managing director of any other Operators that join this Agreement from time to time.

6.31 The composition of the Stakeholder Board shall be reviewed annually by the Parties. Any proposed changes to the Stakeholder Board shall be approved by the Joint Alliance Board.

Purpose of the Programme Board meetings

6.32 The purpose of the Programme Board shall be:

- (a) to attempt to resolve in good faith any issues which cannot be resolved at a Workstream Meeting;
- (b) manage any proposed changes to the Delivery Programme;
- (c) to oversee the negotiation and production of the Joint Business and Investment Plan for the forthcoming Contract Year;
- (d) to oversee the production of the Milestones for the forthcoming Contract Year;
- (e) to consider whether the Performance Indicators require updating;
- (f) monitor performance against the Joint Business and Investment Plan; and
- (g) consider any Material Matters referred to it by a Workstream Meeting.

6.33 The Programme Board shall accept reports from the Merseytravel programme management office and/or the Merseytravel programme manager. Such reports shall contain information on the Delivery Programme and monitor the performance of the Joint Business and Investment Plan.

6.34 The Programme Board shall report to the Joint Alliance Board biannually in each Contract Year on all aspects of the Delivery Programme and performance against the Joint Business and Investment Plan.

6.35 The Programme Board shall refer to the Joint Alliance Board any issues that cannot be resolved by the Programme Board.

Purpose of the Joint Alliance Board meetings

6.36 The purpose of the Joint Alliance Board shall be to:

- (a) advise the Partnership on its strategic direction;
- (b) consider the priorities of the Joint Business and Investment Plan for the forthcoming year through agreed outcomes and measures;
- (c) agree any variation to the Joint Business and Investment Plan;
- (d) consider and agree the Milestones suggested by the Programme Board;
- (e) consider and agree any amendments to the Performance Indicators suggested by the Programme Board;
- (f) advise the Partnership in the development of policies, objectives and remedial actions;
- (g) share best practice from other areas to support growth;
- (h) advise the Partnership on the most effective way to continue to develop and enhance joint working;
- (i) challenge and advise the Partnership in the delivery of Partnership objectives and measures;
- (j) monitor high level performance against the Milestones;
- (k) approve the composition of the Stakeholder Board; and
- (l) resolve in good faith any items that cannot be resolved at the Programme Board.

Purpose of the Stakeholder Board meetings

6.37 The purpose of the Stakeholder Board shall be to support the continued success of the Partnership and the growth of the LCR economy by:

- (a) accepting submissions from Programme Board and Joint Alliance Board members on the performance the Partnership; and
- (b) providing advice, views, guidance and recommendations to the Programme Board and the Joint Alliance Board.

6.38 The Parties shall have regard to any performance feedback received from the Stakeholder Board when negotiating the Joint Business and Investment Plan for the forthcoming Contract Year pursuant to clause 6.32(c), which may include planning cycle and improvement recommendations.

6.39 The Governance Structure is included in Schedule 8 (Governance Structure) for illustrative purposes only.

7 Network and Service Change

Network Stability

7.1 The Operators will use all reasonable endeavours to achieve and maintain stability of the Network.

- 7.2 Merseytravel may consider that periodic change is prudent and may make recommendations to the Operators expressing its view on the optimum shape of the Network. For the avoidance of doubt, the Operators shall not be required to implement any recommendation made by Merseytravel in respect of the Network pursuant to this clause 7.2.
- 7.3 The Operators will comply with the provisions of the Service Change Procedure below before making any changes to the Network and will consider in good faith with Merseytravel any suggestions for change which Merseytravel propose.
- 7.4 The Operators may individually introduce temporary timetables and diversions of Services as a result of temporary road works, utility works or external events provided that all Parties shall strive for minimum disruption to Services in such circumstances.
- 7.5 Any discussions which may take place between Merseytravel and the Operators in connection with a request for a Service Change shall be without prejudice to the rights of any Party.
- 7.6 Any work undertaken by an Operator in connection with a Service Change shall be undertaken entirely at the expense of the Operator.

Network Review

- 7.7 Merseytravel will undertake a City-region wide zonal review of the Network which will consider, amongst other things, the current and future demand for bus services in the LCR linked to projected economic growth (**Merseytravel Network Review**) in accordance with the timings set out in Schedule 2 (Performance Management Framework – Milestones).
- 7.8 The Operators, will undertake network reviews in respect of their own networks in accordance with the timings set out in Schedule 2 (Performance Management Framework – Milestones). Each review will comprise a series of individual reviews based on geographical areas within the LCR and the process followed in reviewing each area shall be broadly similar, but may vary between different geographical areas and/or Operators (**Operator Network Review**).
- 7.9 Whilst conducting the Merseytravel Network Review, Merseytravel shall consult on a bilateral basis with all relevant operators in relation to the optimum shape of the Network.
- 7.10 The Operators agree to act in good faith and towards the furtherance of the Key Workstreams of this Agreement, including the efficiency savings that Merseytravel desires to make, when consulting with Merseytravel in relation to the changes proposed to the Services following both the relevant Merseytravel Network Review and the Operator Network Reviews.

Service Change Procedure

- 7.11 An Operator and/or Merseytravel may at any time implement a Service Change in accordance with the Service Change Procedure set out in clauses 7.12 to 7.20 below.
- 7.12 The Parties agree that an Emergency Service Change proposed by an Operator shall not be required to follow the Service Change Procedure.
- 7.13 From the first anniversary of the Effective Date, Service Changes shall be permitted at four (4) intervals during a calendar year, and in 2016, on the following pre-determined dates:
- (a) 24 January 2016;
 - (b) 24 April 2016;

- (c) 24 July 2016; and
- (d) 4 September 2016,

each a **Service Change Date**, together the **Service Change Dates** (as may be amended in each calendar year pursuant to clause 7.14 below).

- 7.14 Merseytravel shall confirm to each of the Operators forty-five (45) Business Days in advance of 1 January of each calendar year, the forthcoming Service Change Dates for the next calendar year. Merseytravel shall use reasonable endeavours to ensure that all Service Change Dates in the forthcoming calendar year are at regular quarterly intervals.
- 7.15 Following written notification by Merseytravel to the Operators that the Network Review has been completed, the Service Change Dates shall be replaced by the Post Network Review Service Change Dates. Following the introduction of the Post Network Review Service Change Dates, the Operators may individually introduce:
 - (a) Summer school holiday and Bank Holiday changes to the Services (following consultation through Merseytravel of any affected Operators); and/or
 - (b) temporary timetables and diversions of Services as a result of temporary road works, utility works or external events, provided that all Parties shall seek not to cause unreasonable disruption to Services in such circumstances.
- 7.16 Where an Operator intends to implement a Service Change, the Operator shall provide Merseytravel with seventy (70) days prior written notice that it intends to make such a Service Change (**Service Change Notice**).
- 7.17 Merseytravel agrees to keep a proposed Operator Service Change and the contents of all Service Change Notices served by an Operator on Merseytravel confidential until such time as:
 - (a) the Operator waives its right to confidentiality; or
 - (b) such information enters the public domain following an announcement of the Traffic Commissioner; or
 - (c) the contents of the Service Change Notices required to be disclosed by Law or regulation.
- 7.18 As a minimum, a Service Change Notice shall contain the following information:
 - (a) the Service to be changed;
 - (b) the reason for the Service Change with supporting evidence to justify the change;
 - (c) full details of the Service Change, including the new proposed route (if any);
 - (d) timetable information;
 - (e) the proposed Service Change Date on which the Service Change is to take effect; and
 - (f) a signature of an authorised representative of the Operator intending to implement the Service Change.

- 7.19 The information provided by an Operator intending to implement a Service Change pursuant to clause 7.18 shall only be used by Merseytravel for the purpose of either:
- (a) discussing the proposed Service Change with the relevant Operator; or
 - (b) where there is a reduction of Service, to allow Merseytravel to prepare any necessary draft tender documentation.
- 7.20 If the current statutory notification periods set out in the Public Service Vehicles (Registration of Local Services) Regulations 1986 are amended, the notification period set out in clause 7.16 shall be amended accordingly.

Benefit Share Projects

- 7.21 The Parties acknowledge that certain projects undertaken during this Agreement may have the ability to provide Resource Savings and/or may generate revenue.
- 7.22 The Operators agree to discuss specific projects with Merseytravel with a view to identifying whether such projects may provide Resource Savings and/or may generate revenue.
- 7.23 Where the Parties agree to pursue projects that may have the ability to achieve Resource Savings and/or generate revenue, prior to committing to implementing the relevant project, the Parties shall agree (i) whether such Resource Savings and/or revenue shall be reinvested into the Network; and (ii) in the event that the Parties agree that such Resource Savings and/or revenue shall be reinvested into the Network, how such reinvestment shall be made, and the Milestones shall be amended to capture the obligations of each Party in respect of such projects.

Tendered Services

- 7.24 At the date of the Agreement the Network includes Tendered Services and De-Minimis Contracts that are provided under contract to Merseytravel. It is agreed that when contracts are offered for tender, the Operators may individually submit tenders.
- 7.25 In the event that Merseytravel does not retender the services(s)/journey(s) concerned, or that the Operators are not offered a De-Minimis Contract or are not successful in retaining the contracted service/journey that forms part of the Network then that services(s)/journey(s) shall no longer form part of the Network for the purpose of this Agreement.
- 7.26 The Operators agree that additional services/journeys that they operate under contracts won or awarded to them by Merseytravel after the date of this Agreement shall for the period of this Agreement or the duration of the contract, whichever be the shorter, be deemed to form part of the Network if such services lie within the area covered by the Network.

Cross Boundary Services

- 7.27 Merseytravel acknowledges that in respect of the Cross Boundary Services which form part of the Network, the Operators may, for circumstances relating to actions taken by the Highways Authority for the part of the Route that falls outside of the Network, or actions taken by a utility company or similar body on such part of the route, need to change the Cross Boundary Services. Notwithstanding the fact that Cross Boundary Services are Exempt Services, the Operators shall use all reasonable endeavours to comply with the Service Change Dates in respect of any change to the Cross Boundary Services.

8 Obligations

- 8.1 Subject to clauses 13.2 and 18.3, each Operator shall comply with the Minimum Standards. Failure to meet any of the Minimum Standards shall be treated as a failure to meet a Milestone by the Milestone Date and the provisions of clauses 9.6 - 9.10 shall apply accordingly.
- 8.2 Each of the Parties undertakes to comply with its Delivery Obligations set out in Schedule 2 (Performance Management Framework – Milestones) in order to meet the Milestones by the Milestone Date.

9 Investment commitments

Annual Investment Review

- 9.1 The Parties undertake to make their respective total investment as set out in the Joint Business and Investment Plan (which in the first Contract Year for each Party shall be at least the amount specified in Schedule 7 (Joint Business and Investment Plan) and referred to as 'Total Fixed Minimum Investment'), such plan to be reviewed annually between the Parties in order to enhance the delivery of the Services and agree any further investment commitments to be made by the Parties (**Investment Review**). The aim of the Investment Review shall be to identify the proposed Investments for the forthcoming Contract Year.
- 9.2 Each Party shall use reasonable endeavours to support the Key Workstreams when identifying its respective Investments for the forthcoming Contract Year.
- 9.3 Each Party's written contribution to the Joint Business and Investment Plan must be submitted to the Programme Board for approval no later than four (4) months prior to the end of the current Contract Year. The Programme Board shall consider each Party's submission as part of the Joint Business and Investment Plan.
- 9.4 Where the Programme Board is unable to agree the content of the Joint Business and Investment Plan, the Joint Business and Investment Plan shall be returned to the Parties and the plan shall be resubmitted, taking into account any comments made by the Programme Board at the next meeting of the Programme Board. If the Programme Board is still unable to agree the contents of the Joint Business and Investment Plan, the matter shall be referred to the Joint Alliance Board pursuant to clause 14 for resolution, provided that the Programme Board shall act reasonably when considering the content of the Joint Business and Investment Plan.
- 9.5 Where the Programme Board approves the Joint Business and Investment Plan for the forthcoming Contract Year, the Joint Business and Investment Plan shall be considered by the Joint Alliance Board, and where the Joint Alliance Board is satisfied, it shall ratify the relevant content of the Joint Business and Investment Plan. In the event that the Joint Alliance Board does not confirm in the meeting in which it is considered the Joint Business and Investment Plan for the forthcoming Contract Year, this Agreement shall be terminated pursuant to clause 6.29 of this Agreement.

Quarterly Investment Monitoring

- 9.6 Merseytravel shall monitor each Operator on a quarterly basis to ensure that each Operator is delivering its prescribed level of Investment and its Delivery Obligations in accordance with Schedule 2 (Performance Management Framework – Milestones) by the prescribed Milestone Dates and the Operators shall monitor Merseytravel to ensure that Merseytravel is delivering

its prescribed level of Investment and its Delivery Obligations in accordance with Schedule 2 (Performance Management Framework – Milestones) by the Milestone Dates. If during a Quarterly Assessment, either an Operator is identified by Merseytravel or Merseytravel is identified by an Operator as failing to deliver its Investments and/or achieve its Milestones or reasonably deemed likely to fail to deliver on its Investments and/or achieve its Milestones under this Agreement in any material manner, the defaulting Party shall prepare a remedial action plan setting out:

- (a) progress made to date against the delivery programme;
- (b) detailed reasons for the delay;
- (c) any mitigation measures; and
- (d) where the Investment and/or Milestone cannot be delivered or achieved, the defaulting Party's Alternative Investment Proposal and the detailed tangible benefits of such a proposal,

the Investment Remedial Action Plan.

- 9.7 The Investment Remedial Action Plan shall be presented to the Programme Board within ten (10) Business Days of such a plan being identified as required during a Quarterly Assessment. Following receipt of the Investment Remedial Action Plan, the Programme Board shall consider its contents and make recommendations (where necessary).
- 9.8 If the Parties fail to agree an Investment Remedial Action Plan within twenty (20) Business Days pursuant to clause 9.8 above, the Programme Board shall refer the matter to the Joint Alliance Board.
- 9.9 If the Party in question fails to meet its prescribed level of Investment on two consecutive quarters (despite agreeing an Investment Remedial Action Plan with the Programme Board), the matter shall be referred to the Joint Alliance Board for determination.
- 9.10 In the event that the Joint Alliance Board does not resolve a matter in the meeting in which it is considered, the defaulting Party shall be deemed to be in material breach of this Agreement and the termination provisions set out in clause 17.1(b) shall apply.

10 Ticketing and fares

- 10.1 The Parties recognise that a core objective of the Partnership is to introduce a simple and easy to understand ticketing arrangement. In order to achieve simplification of the ticket range the Parties shall:
 - (a) enter into a Ticketing Agreement; and
 - (b) comply with the SMART Ticketing Milestones in order to meet the SMART Ticketing Milestones by the Milestones Date.
- 10.2 The Parties agree that the SMART ticketing functionality shall be made available via the Walrus Platform. The Parties shall continue to assess the quality and performance of the ticketing offer to customers and each use their best endeavours to implement improvements where necessary to ensure continuous improvement.

- 10.3 The Parties agree that Multi-Operator Tickets shall be retained and further developed to enable customers to travel seamlessly, utilising the Services of the different Operators, across the Network (**Multi-Operator Ticketing**).
- 10.4 The Operators are individually free to set their own fare levels and will use all reasonable endeavours to limit changes to each price/fare to once per year, except in relation to promotions, and any such proposed variation of fares shall be notified to Merseytravel as follows:
- (a) for fares currently specified in timetables issued by Merseytravel, publicised in information displayed at bus stops or in any other promotional material made available by Merseytravel, then Merseytravel requires fifty-six (56) days' written notice and for all other unpromoted fares (being fares which are not used in any Merseytravel publicity, information or promotional material) Merseytravel requires twenty-one (21) days' notice (for the avoidance of doubt, all information shared by an Operator with Merseytravel pursuant to this clause 10.4(a) shall be Confidential Information);
 - (b) if any fares advertised by Merseytravel are varied more than once per year or outside one of the Service Change Dates, Merseytravel will only produce information (if at all) at its discretion and the relevant Operator shall fund all reprint costs including associated staff costs;
 - (c) the high level principles behind the change will be communicated to Merseytravel together with a comparison with the most recent Confederation of Passenger Transport Cost Index or reasons for varying from that; and
 - (d) such information provided to Merseytravel by the relevant Operator shall be treated as Confidential Information.
- 10.5 An Operator may promote end dated SMART fare promotions (at its own cost unless otherwise agreed) subject to providing three (3) months' prior written notice where SMART ticketing will be affected to Merseytravel.

11 Performance

- 11.1 Performance of the Parties pursuant to this Agreement will be measured in accordance with the Performance Management Framework – Performance Indicators set out in Schedule 3.
- 11.2 Each Party shall report on their performance in meeting or exceeding the relevant Performance Indicator and target performance at the frequency required.
- 11.3 Where the Parties are failing to meet Performance Indicators, the Programme Board shall review the Joint Business and Investment Plan and Milestones to determine:
- (a) whether the Joint Business and Investment Plan and/or Milestones should be amended to enable the Performance Indicators to be attained;
 - (b) whether the Performance Indicators should be amended in line with the Key Workstreams; or
 - (c) whether the status quo should be retained for the following Contract Year.

- 11.4 Where Performance Indicators have been met, the Programme Board shall review the Performance Indicators to consider whether the Performance Indicators should be amended for the following Contract Year.

12 Data sharing

- 12.1 The Operators will provide all of the data necessary in order to discharge their obligations under this Agreement and in accordance with the provisions set out in the Data Sharing Agreements.

13 Other Operators

- 13.1 Subject to clause 13.2, the Parties acknowledge that the Purpose of the Partnership will be facilitated by all of the operators in the LCR joining this Agreement in order to pursue its aims.

- 13.2 Other bus operators who operate in the LCR shall be permitted to join the Partnership at any time subject to the new operator:

- (a) agreeing to comply with the terms of the Agreement set out herein; and
- (b) presenting to Merseytravel a business case detailing:
 - (i) its proposed level of investment (which should be at least proportionate to the proportion of commercial mileage run by that Operator's Services in the previous three (3) months when compared to the aggregate run by all Operators on the Network in the equivalent period);
 - (ii) the milestones connected with its proposed level of investment;
 - (iii) how it intends to adhere to the Performance Indicators set by the Partnership under this Agreement; and
 - (iv) how the new Operator intends to meet the Minimum Standards where practicable within eighteen months (18) following accession to this Agreement, (**New Operator Plan**),

the **New Operator Accession Process**. Each element of the New Operator Accession Process set out in this clause 13.2(b) shall be classed as a Milestone.

- 13.3 A new Operator shall be required to comply with the New Operator Plan and the New Operator Accession Process. Where this is not achieved, the new Operator shall be in breach of this Agreement and the matter shall be referred to the Programme Board for resolution as if the Operator was failing to deliver its investment and/or a Milestone.

- 13.4 Following consideration of the New Operator Accession Proposal, Merseytravel shall, acting in a fair, reasonable and non-discriminatory manner, communicate to the operator whether its New Operator Accession Proposal has been successful, and if successful, the operator shall enter into the Deed of Adherence and will become an Operator.

- 13.5 Upon accession to this Agreement, a new Operator's services shall be deemed to be Services and additional to the Network.

- 13.6 In the event that an Operator deems there to be duplication of Services, Routes and/or timetabling following the accession of a new Operator to this Agreement, an Operator shall, notwithstanding the provisions of clause 7.1, be permitted to implement a Service Change

pursuant to the Service Change Procedure to reduce its Services and retain a level of Service equivalent to the original timetable.

14 Dispute resolution

- 14.1 If a Dispute arises out of or in connection with this Agreement, then the Parties shall follow the procedure set out in this clause 14.

Dispute Resolution by the Programme Board

- 14.2 Where a Dispute arises between one or more Parties under or in connection with this Agreement, a Party who deems the matter to be a Dispute shall be entitled to call a meeting of the Programme Board as soon as reasonably practicable after the Dispute has arisen in order to try and resolve the Dispute.
- 14.3 A meeting of the Programme Board shall be called by the Party wishing to raise the Dispute giving written notice of the dispute to the other Parties to this Agreement, setting out its nature and full particulars (**Dispute Notice**), together with relevant supporting documents. On service of the Dispute Notice, the Programme Board shall attempt in good faith to resolve the Dispute.
- 14.4 If the Programme Board is for any reason unable to resolve the Dispute within twenty (20) Business Days of service of the Dispute Notice, the Dispute shall be referred to the Joint Alliance Board who shall attempt in good faith to resolve it.

Dispute Resolution by the Joint Alliance Board

- 14.5 A meeting of the Joint Alliance Board shall be called by the Party wishing to raise the Dispute giving written notice to the other Parties to this Agreement by serving a Dispute Notice on each of them together with relevant supporting documents. On service of a Dispute Notice, the Joint Alliance Board shall attempt in good faith to resolve the Dispute.
- 14.6 Save in relation to clause 14.7, if the Joint Alliance Board is for any reason unable to resolve the Dispute within twenty (20) Business Days of (i) the referral from the Programme Board; or where the Dispute Notice is served directly upon the Joint Alliance Board, within twenty (20) Business Days of such service, the Dispute shall be referred to mediation in accordance with clause 14.8.
- 14.7 In the event that the Joint Alliance Board is unable to resolve a Dispute in relation to the Joint Business and Investment Plan for the forthcoming Contract Year, this Agreement shall be terminated pursuant to clause 6.29 of this Agreement.

Dispute resolution by mediation

- 14.8 If the Parties are for any reason unable to resolve the Dispute, the Parties will attempt to settle the Dispute by mediation in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the Parties within ten (10) Business Days of service of referral to mediation pursuant to clause 14.6, the mediator shall be nominated by CEDR. To initiate the mediation, a Party must serve notice in writing (**ADR Notice**) to the other Parties to the Agreement, requesting a mediation. A copy of the ADR Notice should be sent to CEDR. Unless otherwise agreed between the Parties, the mediation will start not later than ten (10) Business Days after the date of the ADR Notice.

- 14.9 In the event a Legal Dispute is not resolved pursuant to the mediation procedure set out in clause 14.8, such Legal Dispute shall be settled in the manner set out at clauses 14.10 and 14.11 of this Agreement.

Dispute resolution by court

- 14.10 No Party may commence any court proceedings under clause 14.11 in relation to the whole or part of a Legal Dispute until thirty (30) Business Days after service of the ADR Notice, provided that the right to issue proceedings is not prejudiced by a delay.
- 14.11 If the Legal Dispute is not resolved within thirty (30) Business Days after service of the ADR Notice, any Party fails to participate or ceases to participate in the mediation before the expiry of that thirty (30) Business Day period, or the mediation terminates before the expiry of that thirty (30) Business Day period, the Legal Dispute shall be finally resolved by the courts of England and Wales.

15 Operator Change of Control

In the event there is a Change of Control of any Operator, the Operator shall procure that it is a condition of the sale and purchase agreement that the purchaser complies with the terms of this Agreement.

16 Enhanced Partnership

- 16.1 The Parties acknowledge that there is a consultation process being undertaken by the Department for Transport regarding the partnership arrangements between local authorities and bus operators and that should legislation be passed permitting Enhanced Partnerships the Parties shall discuss in good faith the creation of an Enhanced Partnership to replace the Partnership.
- 16.2 The Parties agree that nothing in this Agreement shall if so agreed between the Parties prevent the Parties from replacing the arrangements set out herein with an Enhanced Partnership, nor shall it prevent Merseytravel from exercising any further powers that it may have available to it as a result of the passing of legislation to allow local transport authorities to introduce an Enhanced Partnership.

17 Termination

- 17.1 A Party's participation in this Agreement may be terminated by any Party by serving a Termination Notice in any of the following circumstances:
- (a) following the expiry of the Initial Period, by a Party serving a Termination Notice on all the other Parties to this Agreement. A Termination Notice served pursuant to this clause 17.1(a) shall not expire earlier than three (3) years following the date of service of the Termination Notice;
 - (b) at any time, if a Party is in material breach of any its obligations under this Agreement and where such breach is capable of remedy, fails to remedy such breach within fifteen (15) Business Days of receipt of written notice setting out the nature of the material breach and requiring it to be remedied. A Termination Notice served pursuant to this clause 17.1(b) shall terminate the defaulting Party's participation in this Agreement, on the date set out in the Termination Notice, which shall not expire earlier than fifteen (15) Business Days following service of the Termination Notice;

- (c) at any time, where an Operator becomes unable to pay its debts (as defined in Section 123 of the Insolvency Act 1986) or a receiver, administrator, administrative receiver or liquidator is, or applies to be, appointed over an Operator's assets or an Operator enters into any arrangement with its creditors or causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in this clause 17.1(c) the relevant Operator's participation in this Agreement shall terminate immediately upon service of a Termination Notice;
 - (d) a recommendation is made during the Initial Period by Merseytravel to the LCR Combined Authority that the bus network, or part thereof, be franchised. A Termination Notice served pursuant to this clause 17.1(d) shall terminate the serving Party's participation in this Agreement, on the date set out in the Termination Notice, which shall not be earlier than 1 April 2021, following service of the Termination Notice; or
 - (e) the LCR Combined Authority resolves to franchise the bus network, or part thereof, during the Initial Period. A Termination Notice served pursuant to this clause 17.1(e) shall terminate the serving Party's participation in this Agreement, on the date set out in the Termination Notice, which shall not be earlier than 1 April 2021, following service of the Termination Notice.
- 17.2 Where a Force Majeure Event is continuing for a period of six (6) months such that any Party is unable to perform its obligations under this Agreement, the Programme Board shall be entitled to determine the participation of the affected Party or Parties in this Agreement by service of a Termination Notice.
- 17.3 If, the LCR Combined Authority resolves to franchise the bus network, or part thereof, in accordance with the LCR Combined Authority's governance procedures (**Bus Franchise Decision**), any Party to this Agreement shall be entitled to serve a Termination Notice on all the other Parties to this Agreement. A Termination Notice served pursuant to this clause 17.3 shall terminate this Agreement on the date three (3) years following the Bus Franchise Decision.
- 17.4 Following a decision to terminate this Agreement pursuant to a Bus Franchising Termination Event, the Parties shall re-negotiate the terms of this Agreement to determine which obligations shall apply during the Termination Period (which in the case of termination pursuant to clauses 17.1(d) or 17.1(e) shall mean from the date of the Termination Notice until 1 April 2021).
- 17.5 If within six (6) calendar months of a Bus Franchising Termination Event the Parties are unable to agree the obligations that should apply during the Termination Period pursuant to clause 17.4, this Agreement shall terminate with immediate effect, save that Merseytravel shall not permit franchised bus services to operate in passenger revenue earning service until the Termination Period has expired.
- 17.6 Each Party agrees that it shall not serve a Termination Notice pursuant to clause 17.1(b) until the Parties have met at the next meeting of the Joint Alliance Board (or such earlier meeting of the Joint Alliance Board as the Parties may agree) to discuss the issues raised.

18 Termination Assistance

- 18.1 Subject to clauses 18.4 and 18.5, following service of a Termination Notice pursuant to clauses 17.1(a), each Party shall continue to comply with all its obligations pursuant to this

Agreement until such time as that Party's participation in the Agreement has ended (**Termination Assistance Period**).

- 18.2 Save as set out in clause 18.3 below, the Parties agree that during the Termination Assistance Period the Network and the Services shall continue to be delivered at the Minimum Standard and each Operator shall maintain at least eighty-five percent (85%) of the relevant Operator's aggregate commercial mileage over the Network as at the date of the Termination Notice.
- 18.3 Upon commencement of the Termination Assistance Period, the Parties agree that limb (a) of the definition of Minimum Standard shall be amended from seven (7) years to ten (10) years.
- 18.4 If this Agreement is terminated pursuant to clause 17.3 (Franchising Termination Event) the Parties shall not be required to comply with the provisions of this clause 18, save that the relief provided by clause 18.3 shall be available to the Parties.
- 18.5 During the Termination Assistance Period, the Operators shall be under no obligation to provide Merseytravel with assistance in respect of any forthcoming commercial tender processes.
- 18.6 If an Operator materially fails to comply with its obligations during the Termination Assistance Period, Merseytravel shall be entitled to terminate that Operator's participation in the Agreement on thirty (30) days' written notice.

19 Consequences of termination

- 19.1 Termination of this Agreement or cessation of an Operator's participation in this Agreement shall not affect any rights, remedies, obligations or liabilities of the Parties that have accrued up to the date of termination of this Agreement or the termination of an Operator's participation in this Agreement, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.
- 19.2 In the event an Operator's participation in this Agreement is terminated pursuant to clause 17.1, the validity of any separate agreements between Merseytravel and the relevant Operator shall not be affected or the continuation of this Agreement.
- 19.3 The provisions of clauses 17 (Termination), 19 (Consequences of Termination) and 21 (Confidentiality) shall survive the termination of this Agreement.

20 Force Majeure

- 20.1 Subject to the remaining provisions of this clause 20, no Party to this Agreement shall in any circumstances be liable to the other for any delay or non-performance of its obligations under this Agreement to the extent that such non-performance is due to a Force Majeure Event.
- 20.2 In the event that any Party is delayed or prevented from performing its obligations under this Agreement by a Force Majeure Event, such Party shall:
- (a) give notice in writing of such delay or prevention to the other Party as soon as reasonably possible, stating the commencement date and extent of such delay or prevention, the cause thereof and its estimated duration;
 - (b) use all reasonable endeavours to mitigate the effects of such delay or prevention on the performance of its obligations under this Agreement; and

- (c) resume performance of its obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.
- 20.3 A Party cannot claim relief if the Force Majeure Event is attributable to that party's wilful act, neglect or failure to take reasonable precautions against the relevant Force Majeure Event.
- 20.4 As soon as practicable following the affected Party's notification, the Parties shall consult with each other in good faith and use all reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement. A Party that is affected by a Force Majeure Event shall take and/or procure the taking of reasonable steps to overcome or minimise the consequences of the Force Majeure Event.
- 20.5 The affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the affected Party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately prior to the occurrence of the Force Majeure Event unless agreed otherwise by the Parties.

21 Confidentiality

- 21.1 In the event Confidential Information is disclosed to a Recipient by a Discloser, the Recipient undertakes to the Discloser that it shall:
 - (a) keep the Confidential Information secret and confidential;
 - (b) not use or exploit the Confidential Information in any way except for the Permitted Purpose;
 - (c) not directly or indirectly disclose or make available any Confidential Information in whole or in part to any person, except as expressly permitted by, and in accordance with this Agreement.
- 21.2 Subject to clause 21.1, Merseytravel, as a Recipient, shall not disclose any Confidential Information outside of the Merseytravel organisation other than with the prior written consent of the Discloser.
- 21.3 The Recipient shall establish and maintain adequate security measures (including any reasonable security measures proposed by the Discloser from time to time) to safeguard the Confidential Information from unauthorised access or use.
- 21.4 Subject to the provisions of this clause 21.4, a Party may disclose Confidential Information to the minimum extent required by an order of any court of competent jurisdiction or any regulatory, judicial, governmental or similar body or any taxation authority of competent jurisdiction.
- 21.5 Before a Party discloses any Confidential Information pursuant to clause 21.4 it shall, to the extent permitted by law, use all reasonable endeavours to give the other Party as much notice of this disclosure as possible. Where notice of such disclosure is not prohibited and is given in accordance with clause 21.5, that Party shall take into account the reasonable requests of the other Party in relation to the content of this disclosure.
- 21.6 If a Party is unable to inform the other Party before Confidential Information is disclosed pursuant to clause 21.4 it shall, to the extent permitted by law, inform the other Party of the

full circumstances of the disclosure and the information that has been disclosed as soon as reasonably practicable after such disclosure has been made.

22 Freedom of Information

22.1 The Operators acknowledge that Merseytravel is subject to the requirements of the FOIA and the EIRs. Each Operator shall:

- (a) provide all necessary assistance and cooperation as reasonably requested by Merseytravel to enable Merseytravel to comply with its obligations under the FOIA and EIRs;
- (b) transfer to Merseytravel all Requests for Information relating to this Agreement that it receives as soon as practicable and in any event within two (2) Business Days of receipt;
- (c) provide Merseytravel with a copy of all Information belonging to Merseytravel requested in the Request For Information which is in its possession or control in the form that Merseytravel requires within five (5) Business Days (or such other period as Merseytravel may reasonably specify) of Merseytravel's request for such Information; and
- (d) not respond directly to a Request For Information unless authorised in writing to do so by Merseytravel.

22.2 The Operators acknowledge that Merseytravel may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Operators. Merseytravel shall take reasonable steps to notify the Operators of a Request For Information (in accordance with the Secretary of State's section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Agreement) Merseytravel shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and/or the EIRs.

23 Liability and Limitation of Liability

23.1 The limitations and exclusions set out in this clause 23 shall not apply (and no limitation or exclusion of liability shall apply) with respect to the liability of any Party:

- (a) for death or personal injury caused by the negligence of a party or its directors, employees, agents or subcontractors;
- (b) for any breach of obligations under clause 21 (Confidentiality);
- (c) for any fraud or fraudulent misrepresentation;
- (d) to the extent such limitation or exclusion is not permitted by Law.

23.2 Subject to the limitations and exclusions set out clause 23.1, in the context of a Legal Dispute, each Party acknowledges and agrees that its sole court based remedies available under this Agreement shall be the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of this Agreement and that the Parties hereby irrevocably waive their right to claim damages.

24 Entire agreement

- 24.1 This Agreement constitutes the entire agreement between the Parties in relation to the Partnership and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter save for the Data Sharing Agreements and the Ticketing Agreements.
- 24.2 Each of the Parties acknowledges that it is not relying on any statement, warranty, representation, undertaking, collateral contract or other assurance given or made by or on behalf of any of the other Parties (or any of their respective agents, officers, employees and advisers) in relation to the subject matter of this Agreement which is not expressly set out in this Agreement (**Non-contractual Assurance**).
- 24.3 No Party will have any claim or remedy in respect of any Non-contractual Assurance. To the extent that any of the Parties has been given any Non-contractual Assurance (including, for the avoidance of doubt, any innocent or negligent misrepresentation or misstatement), the relevant Party unconditionally waives any claims, rights or remedies which it might otherwise have in relation thereto.
- 24.4 Nothing in this clause 24 or otherwise under this Agreement will exclude or limit any liability for, or remedy in respect of, fraud or fraudulent misrepresentation.

25 Partnership and agency

- 25.1 The Parties acknowledge that the intent of this Agreement is not to create a legal partnership between the Parties pursuant to the Partnership Act 1890, the Limited Partnerships Act 1907 or the Limited Liability Partnership Act 2000.
- 25.2 Nothing in this Agreement is intended to, or shall be deemed to, establish a joint venture between any of the Parties, constitute any Party the agent of another party, or authorise any Party to make or enter into any commitments for or on behalf of any other party.
- 25.3 Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

26 Several liability

- 26.1 Unless expressly provided otherwise in this Agreement, the liability of each Party for their obligations under this Agreement shall be several and extend only to any loss or damage arising out of their own breaches.

27 Third Party Rights

A party who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

28 Waiver

Delay in exercising, or failure to exercise, any right or remedy in connection with this Agreement shall not operate as a waiver of that right or remedy. The waiver of a right to require compliance with any provision of this Agreement in any instance shall not operate as a waiver of any further exercise or enforcement of that right and the waiver of any breach shall not operate as a waiver of any subsequent breach. No waiver in connection with this Agreement shall, in any event, be effective unless it is in writing, refers expressly to this

clause, is duly signed by or on behalf of the Party granting it and is communicated to the other Party in accordance with clause 29.

29 Notices

29.1 All notices to be given to a Party under this Agreement shall be in writing in English and shall be marked for the attention of the person, and delivered by hand or sent by first class pre-paid post to the address, detailed for the Party below:

(a) in the case of the Merseytravel:

Address: PO Box 1976, Liverpool, L69 3HN

Attention: Louise Outram, Head of Legal, Democratic Services and Procurement

(b) in the case of the Arriva:

Address: Arriva North West Limited, 1 Admiral Way, Doxford International Business Park, Sunderland SR3 3XP

Attention: Company Secretary

(c) in the case of the Stagecoach:

Address: Stagecoach Merseyside & South Lancashire, Head Office, Gillmoss Garage, East Lancashire Road, Liverpool L11 0BB

Attention: Elisabeth Tasker, Managing Director

A Party may change the details recorded for it in this clause by notice to the other in accordance with this clause 29.1.

29.2 A notice shall be treated as having been received:

(a) if delivered by hand between 9.00 am and 5.00 pm on a Business Day (which time period is referred to in this clause as **Business Hours**), when so delivered; and if delivered by hand outside Business Hours, at the next start of Business Hours; and

(b) if sent by first class post, at 9.00am on the Business Day after posting if posted on a Business Day, and at 9.00am on the third Business Day after posting if not posted on a Business Day.

In proving that a notice has been given it shall be conclusive evidence to procure that delivery was made, or that the envelope containing the notice was properly addressed and posted (as the case may be).

29.3 Notices sent by email are not valid for the purposes of this Agreement but this clause shall not invalidate any other lawful mode of service.

30 Severability

30.1 If any provision in this Agreement is or at any time becomes invalid, illegal or unenforceable in whole or in part, the relevant provision (or part of it), to the extent that it is invalid, illegal or unenforceable, will not apply and will be deemed not to form part of this Agreement.

30.2 The validity, legality and enforceability of the remainder of this Agreement will not, subject to any modification or deletion under clause 30.1, be affected, provided that the operation of this clause 30 would not negate the commercial intention of the Parties in entering into this Agreement.

31 Counterparts

31.1 This Agreement may be entered into in the form of two or more counterparts, each executed by one or more of the Parties but will not be effective until all Parties have executed at least one counterpart.

31.2 Each counterpart will be an original of this Agreement and all the counterparts taken together will constitute one instrument.

32 Governing law

32.1 This Agreement will be governed by and construed in accordance with English law.

32.2 All claims and disputes (including non-contractual claims and disputes) arising out of or in connection with this Agreement, its subject matter, negotiation or formation will be determined in accordance with English law.

33 Submission to jurisdiction

Each Party irrevocably submits to the exclusive jurisdiction of the English courts in relation to all matters (including non-contractual matters) arising out of or in connection with this Agreement.

Signed by the Parties or their duly authorised representatives on the date of this Agreement.

Signed by)
duly authorised for and on behalf of)
Merseytravel)

Signed by)
duly authorised for and on behalf of)
Arriva North West Limited)

Signed by)
duly authorised for and on behalf of)
Glenvale Transport Limited)

Schedule 1

Key Workstreams

1 Network Design

1.1 To have a LCR bus network that places bus at the heart of a connected city region. The bus network will be designed to:

- (a) ensure a simpler and easier to understand bus network for existing and new users;
- (b) enable 10% growth in fare paying patronage;
- (c) support economic growth of the LCR;
- (d) reduce the network's dependence on supported bus services, enabling the delivery of £[REDACTED] net savings on supported bus service budgets (£[REDACTED] of which has already been delivered), £[REDACTED] to be delivered in 2016/17 and £[REDACTED] in 2017/18;
- (e) take into account factors such as new housing, hospitals, shops, educational and employment sites – with a view to ensuring that they are linked by bus;
- (f) improve integration with rail;
- (g) provides better links to John Lennon Airport and Liverpool South Parkway;
- (h) identify where capital investment may be desirable; and
- (i) be more stable with changes minimised, consulted on and communicated in advance to customer and stakeholders.

2 Customer Development/Growth

2.1 To make bus a mode of choice by:

- (i) changing the image and perception of bus within the LCR; and
- (a) promoting the benefits of fare paying passenger growth initiatives

2.2 Specifically to:

- (a) focus on attracting new customers/segment to bus, highlighting the removal of barriers to travel, bus USPs and what's different about bus;
- (b) retain current passengers by promoting the advantages to providing one point of contact and ensuring customer communications are straightforward, as well as effectively targeted and coordinated, across member channels in the context of the Partnership aims;
- (c) increase existing usage of bus services through benefit led marketing campaigns and approaches that are innovative and fresh; and
- (d) identify and deliver ways of reaching new markets e.g. latent business sector, stay over visitor economy.

3 Reliability and Punctuality of Network

3.1 To have a confidence that the bus will turn up and get you where you want it to in the time you expected.

3.2 Specifically to:

- (a) work with the Highways Authorities to target investment where it will make a difference to improve punctuality and journey speeds through use of new technologies and relevant interventions; and
- (b) ensure that operators and drivers support the punctual operation of bus services.

4 Customer Experience – On Bus

4.1 To improve customer experience and perception of travelling on bus.

4.2 Specifically to:

- (a) Ensure the age of vehicles operating in the LCR meet the minimum fleet age requirements;
- (b) reduce carbon footprint/environmental pollution issues through type of vehicles in use;
- (c) enhance customer experience through helpful and welcoming drivers; and
- (d) that customers are confident when on bus as to where to alight through information available (should this be in customer information).

5 Customer Experience – Off Bus

5.1 To improve customers confidence by making it easier and straightforward for customers to get and receive accurate information and for customers to provide feedback about the service received.

5.2 Specifically to:

- (a) validate the newly published transport information product catalogue through customer opinion;
- (b) further define and develop the bus information product catalogue- roll out an approach to paper and digital information that is easy to use and follow for existing and new users in relation to bus services and ticket prices;
- (c) improve the bus offer on the Merseytravel website, using an interactive approach to journey planning and ticketing enquiries;
- (d) to maximise the availability and use of real time information; and
- (e) provide one point of contact for all customer enquiries, whether by traditional methods or social media.

6 Smarter Ticketing

6.1 A simpler, easier to understand, customer focussed smarter ticketing bus offer.

6.2 Specifically:

- (a) ticketing that is easy to understand for new and existing customers with one SMART ticketing platform and a simplified ticketing offer that enables customers to work out what is the best ticket offer for them; and
- (j) value for money products that are available for the customer in a smarter and easier to purchase format

Schedule 2

Performance Management Framework - Milestones

This schedule sets out the Milestones agreed between the Parties as part of the Performance Management Framework for the successful running of the LCR bus alliance. All Milestones are deemed to form part of each Party's commitments in accordance with clause 9 of the Agreement.

This schedule is split into several sections, covering the different aspects of the Partnership investment obligations.

Where this schedule refers to "Operators" or "All", the Milestone relates to each Party separately. Each Party shall be responsible for their own compliance with the Delivery Obligations by the relevant Milestone Date.

All Milestones and Delivery Obligations are intended to be contractually binding, unless otherwise stated as 'aspirational'.

| ANNUAL JOINT BUSINESS PLANNING PROCESS | | | | | |
|---|------------------------|--------------------------------|--|-----------------------|------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| BP MS1 | Continuous Improvement | Deliver agreed Investment Plan | Each Party to deliver its agreed minimum level of investment as set out in the 2016/17 Joint Business and Investment Plan and referred to as the 'Total Fixed Minimum Investment'. Where savings are made | [REDACTED] | All |

| ANNUAL JOINT BUSINESS PLANNING PROCESS | | | | | |
|--|------------------------|---|---|----------------|-----|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | in relation to a particular element of investment, an amount commensurate to the saving shall be invested in the Network by the Party who had made the relevant saving. | | |
| BP MS2 | Continuous Improvement | Review performance against Milestones and Performance Indicators | Attend a joint review of performance & agree required amendments to the 2017/18 Performance Management Framework to meet the outcome targets. | [REDACTED] | All |
| BP MS3 | Continuous Improvement | Joint Alliance Board Approval of the 2017/18 Business and Investment Plan | Alliance Board Approval of the Joint Business and Investment Plan obtained. | [REDACTED] | All |

| NETWORK DEVELOPMENT | | | | | |
|---------------------|---|---|---|-------------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| ND MS1 | To deliver a more stable bus network | Agree network review implementation schedule for 2017 | <p>Merseytravel to propose a 2017 network review schedule for discussion and agreement with all operators.</p> <p>Merseytravel to invite all operators to undertake their own review of the Network.</p> <p>The Operators will undertake their own review of the Network.</p> | [REDACTED] | All |
| ND MS2 | Ensuring that the bus links housing, healthcare, employment, retail and education | New Merseytravel policy for the provision of bus service in place. | Policy document submitted for approval by Merseytravel Committee members | (Completed) | Merseytravel |
| ND MS3 | Improve links to Liverpool John Lennon Airport (LJLA) and Liverpool South Parkway | Enhancements to bus services that connect Liverpool City Centre, Liverpool South Parkway and Liverpool John Lennon Airport delivered, in line with LJLA Airport Transport Forum plan. | <p>Arriva to use best endeavours to Secure funding with LJLA.</p> <p>Where Arriva secures funding from LJLA, to provide an enhanced service provision to LJLA in line with presentation to Airport Transport Forum.</p> | (Completed) | Arriva |

| NETWORK DEVELOPMENT | | | | | |
|---------------------|---|-----------------------------------|--|-------------------------------|-------------------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | <p>Includes revised timetable, vehicle refurbishment and 500 service revision to call at Liverpool South Parkway.</p> <p>Where Arriva is unable to secure LJLA funding, Arriva is to provide a revised service provision to an agreed frequency during the day between LJLA and Liverpool South Parkway.</p> | | |
| ND MS4 | A simple, easy to understand bus network that relies on less public subsidy | Commence St Helens network review | Merseytravel to initiate a network review. Arriva to support and assist the review. | (Completed: Review Commenced) | Merseytravel & Arriva |
| ND MS5 | A simple, easy to understand bus network that relies on less public subsidy | Implement Kirkby Network Review | Merseytravel & Stagecoach to implement revised network | (Completed) | Merseytravel Stagecoach |

| NETWORK DEVELOPMENT | | | | | |
|---------------------|---|--|--|----------------|-----------------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| ND MS6 | Enable growth in fare paying patronage, improve the bus offer | Commence 24 hour service trial on number 86 bus route. | Operators provide a 24 hour service on the number 86 bus route which reflects a true '24' hour service and not just minimal overnight services. Service to operate to agreed timetable from 4 Sep 2016 until at least 31 Dec 2016. | (Completed) | Arriva and Stagecoach |
| ND MS7 | A simple, easy to understand bus network that relies on less public subsidy | Commence Sefton network review | Merseytravel to initiate a network review of the bus routes in the Sefton area. | [REDACTED] | All |

| CUSTOMER DEVELOPMENT / GROWTH | | | | | |
|-------------------------------|---|--|---|----------------|-----|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| CDG MS1 | Enabling growth through joint Marketing & Communications Strategy | Production of a joint alliance Marketing and Communications Strategy & Plan. | Marketing & Communications Strategy and plan to be approved and adopted by all Parties. | [REDACTED] | All |

| RELIABILITY & PUNCTUALITY OF THE NETWORK | | | | | |
|--|---|--|--|----------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| RPN MS1 | Improve bus punctuality and journey speeds (Contractual to review/ Aspirational to deliver) | Bus Priority Trial Route 10a St Helens | Merseytravel to work with relevant districts to implement bus priority trial on 10A bus route. Delivery is subject to District support and not wholly within Merseytravel's power to implement | [REDACTED] | Merseytravel |

| RELIABILITY & PUNCTUALITY OF THE NETWORK | | | | | |
|--|---|--|---|-------------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| RPN MS2 | Improve bus punctuality and journey speeds | Infrastructure Delivery Programme to Be Determined (RPN MS3, RPN MS4, RPN MS5, RPN MS6, RPN MS7) | Merseytravel to produce an infrastructure delivery programme which sets out proposed delivery of the following milestones - RPN MS3, RPN MS4, RPN MS5, RPN MS6, RPN MS7 | (Completed) | Merseytravel |
| RPN MS3 | Improve bus punctuality and journey speeds (Contractual to review/ Aspirational to deliver) | Tuebrook Roundabout Improvements | Merseytravel to work with relevant district(s) to implement Tuebrook Roundabout Improvements in line with Merseytravel capital programme. Delivery is subject to District support and not wholly within Merseytravel's power to implement | [REDACTED] | Merseytravel |
| RPN MS4 | Improve bus punctuality and journey speeds (Contractual to review/ Aspirational to deliver) | Wavertree Road/Durning Road/Tunnel Road Improvement – lining and configuration | Merseytravel to work with relevant district(s) to implement Wavertree Road/Durning Road/Tunnel Road Improvement in line with Merseytravel capital programme. Delivery is | [REDACTED] | Merseytravel |

| RELIABILITY & PUNCTUALITY OF THE NETWORK | | | | | |
|--|---|--|---|----------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | subject to District support and not wholly within Merseytravel's power to implement | | |
| RPN MS5 | <p>Improve bus punctuality and journey speeds</p> <p>(Contractual to review/ Aspirational to deliver)</p> | Formby Rbt - Bypass Approach – widening of splay | Merseytravel to work with relevant district(s) to implement Formby Rbt - Bypass Approach Improvement in line with Merseytravel capital programme. Delivery is subject to District support and not wholly within Merseytravel's power to implement | [REDACTED] | Merseytravel |
| RPN MS6 | <p>Improve bus punctuality and journey speeds</p> <p>(Contractual to review/ Aspirational to deliver)</p> | Ackers Road/Woodchurch Road Improvement – lining and configuration | Merseytravel to work with relevant district(s) to implement Ackers Road/Woodchurch Road Improvement in line with Merseytravel capital programme. Delivery is | [REDACTED] | Merseytravel |

| RELIABILITY & PUNCTUALITY OF THE NETWORK | | | | | |
|--|---|--|--|-------------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | subject to District support and not wholly within Merseytravel's power to implement | | |
| RPN MS7 | <p>Improve bus punctuality and journey speeds</p> <p>(Contractual to review/ Aspirational to deliver)</p> | Red Route Trial Wavertree - Picton Rd | Merseytravel to work with relevant district(s) to implement Red Route Trial Wavertree - Picton Rd in line with Merseytravel capital programme. Delivery is subject to District support and not wholly within Merseytravel's power to implement | [REDACTED] | Merseytravel |
| RPN MS8 | <p>Improve bus punctuality and journey speeds</p> <p>(Contractual to review/ Aspirational to deliver)</p> | Bus Priority ITS Schemes to be delivered in accordance with agreed programme | <p>Merseytravel to ensure production of an ITS scheme programme.</p> <p>Schemes to be delivered in line with programme. Delivery is subject to District support and not wholly within Merseytravel's power</p> | [REDACTED] | Merseytravel |

| RELIABILITY & PUNCTUALITY OF THE NETWORK | | | | | |
|--|---|--|---|----------------|--------------|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | to implement | | |
| RPN MS9 | <p>Improve bus punctuality and journey speeds</p> <p>(Contractual to review/ Aspirational to deliver)</p> | Queen Square Signalised Junction upgrade | Merseytravel to work with relevant district(s) to implement Queen Square Signalised Junction upgrade in line with Merseytravel capital programme. Delivery is subject to District support and not wholly within Merseytravel's power to implement | (Completed) | Merseytravel |

**CUSTOMER EXPERIENCE
ON BUS**

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|------------------|--------------------------------------|---|--|-----------------------|------------|
| CEONB MS1 | Improve the quality of the bus offer | Individual bus fleets to be a maximum average age of seven years with the minimum investment per Operator as set out in the Joint Business and Investment Plan. | <p>There is a continuing obligation on the Operators to have bus fleets that are less than 7 years old.</p> <p>All newly registered buses on the Network must include the following:</p> <ul style="list-style-type: none"> • a minimum of 10 locations / 20 USB charging ports per deck • free to use operational WiFi. | [REDACTED] | Operators |
| CEONB MS2 | Improving customer service | Agreement of a New Driver Customer Care Training Course. | <p>Parties to agree a syllabus for development of a New Driver Customer Care Training Course.</p> <p>Operators supply delegates to attend the New Driver Customer Care Training Course.</p> | [REDACTED] | Operators |

**CUSTOMER EXPERIENCE
ON BUS**

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|-----------|---|---|---|-------------------|-----------|
| | | | <p>Attendees: Number of drivers to complete training within 12 months of commencement of course. Arriva: 685 Stagecoach: 385</p> <p>Course to commence within 2 months of funding being secured.</p> | | |
| CEONB MS3 | Improving the modern image of bus, making bus the option of choice. | 90 % of Operator's local bus fleets fitted with Wi-Fi | Excluding school services, 90% of each Operator's bus fleets to be fitted with operational free to use public WiFi. | [REDACTED] | Operators |

**CUSTOMER EXPERIENCE
OFF BUS**

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|------------------|--|---|---|-----------------------|--------------|
| CEOFFB MS1 | Improve customer information | Bus Information Product Catalogue fully rolled out to customers (public timetables and printed at-stop information) | The Bus Information Product Catalogue is an approved Merseytravel document which sets out designs for signage and publicity. Merseytravel shall update and renew all at stop information and timetables. | (Completed) | Merseytravel |
| CEOFFB MS2 | Improve customer experience for waiting passengers | Completion of construction works on the new Kirkby Bus Station | The construction phase of the new Kirkby Bus Station, managed by Merseytravel, to be completed | (Completed) | Merseytravel |
| CEOFFB MS3 | Improving customer information and confidence in the bus | Produce a Real Time Information Strategy for City Region in agreement with the Operators to be taken forward for approval by Merseytravel Committee | A RTI strategy document will be prepared by Merseytravel officers in agreement with the Operators for approval by Merseytravel Committee members | [REDACTED] | All |

**CUSTOMER EXPERIENCE
OFF BUS**

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|------------------|--|---|---|-----------------------|--------------|
| CEOFFB MS4 | Making it easier for customers to contact us and improving consistency and availability of contact | Implement one point of contact for bus customers (by phone and email) | Merseytravel to lead work with the support and assistance of Arriva & Stagecoach to implement one point of contact for customers to cover phone and email contact | [REDACTED] | Merseytravel |
| CEOFFB MS5 | Making it easier for customers to contact us and improving consistency and availability of contact | Expand one point of contact to include social media which shall not exclude the Operators from having their own social media accounts | As CEOFFB MS4 but to include social media additionally (as a minimum Twitter and Facebook) | [REDACTED] | All |
| CEOFFB MS6 | Improve identity of bus network and improve customer information at bus stops | Implement trial of new design of bus stop flags in Southport | New bus stop flag design to be deployed at no fewer than 50 sites within Sefton | (Completed) | Merseytravel |

**CUSTOMER EXPERIENCE
OFF BUS**

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|------------|---|---|--|-------------------|--------------|
| CEOFFB MS7 | Improve identity of bus network and improve customer information at bus stops | New design bus stop flags rolled out across network | <p>Following implementation of Milestone CEOFFB MS6, the new bus stop flag design shall be deployed at all bus stops in Merseytravel area where there was previously a bus stop flag in place in an old design.</p> <p>65% of locations to be completed by March 2017.</p> | [REDACTED] | Merseytravel |

SMART TICKETING

| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
|------------------|--|--|--|-----------------------|------------|
| ST MS1 | Improve ticketing offer and increasing use of Walrus Platform | Introduction of weekly Arriva and Stagecoach tickets on to Walrus Platform | Single-Operator tickets available for sale from bus on the Walrus card/platform. | [REDACTED] | All |
| ST MS2 | Improving the ticket range for customer using more than one Operator | Introduction of paper-based Adult Solo Day ticket (sold on bus). | Paper ticket, Adult Solo day, using the 1-zone, sold on bus | [REDACTED] | All |
| ST MS3 | Simplifying the ticket offer | Introduction of Solo Merseyside 1-zone ticket | Change of all existing Solo tickets to the 1-zone model | [REDACTED] | All |
| ST MS4 | Simplifying the ticket offer | Solo weekly on sale from bus | The Solo weekly product set available for sale from bus on the Walrus card | [REDACTED] | All |
| ST MS6 | Improving the ticket range for young people | Introduction of new Solo Young Persons 4-week ticket | Create a new 4-week Solo product for Young People available on Walrus cards. Available for sale from | [REDACTED] | All |

| SMART TICKETING | | | | | |
|-----------------|---|---|---|----------------|-----|
| MILESTONE | PURPOSE | DESCRIPTION OF ACTIVITY | DELIVERY OBLIGATIONS | MILESTONE DATE | WHO |
| | | | Paypoint outlets | | |
| ST MS7 | Improving the ticket range for part time workers and occasional bus users | Introduction of carnet of Solo day tickets on Walrus | A carnet or bundle of Solo day tickets sold on Walrus card and available from Paypoint and on-bus (provided that the value is equivalent to weekly tickets) | [REDACTED] | All |
| ST MS8 | Introducing new ways to buy tickets | Retail of Operator and Solo 4-weekly and weekly tickets via online portal | Arrangements to be put in place for the introduction of an online portal in the third quarter of 2017/18 for the sale of Walrus based smart tickets, initially for the 4-weekly and the weekly bus products, including Solo, Arriva and Megarider | [REDACTED] | All |

Schedule 3

Performance Management Framework – Performance Indicators

| NETWORK DESIGN | | | | | | |
|-----------------------|---|--|--|-------------------------------|-------------------------------------|-------------|
| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
| ND PI1 | Achievement of budget reduction in supported services | Reduction in supported services spend (2016/17 [REDACTED] net, 2017/18 a further [REDACTED] net) | Measured by monthly spend monitoring by Merseytravel Bus Team and Merseytravel Finance Team | £[REDACTED] | Merseytravel | Monthly |
| ND PI2 | 500 (or equivalent) service patronage | Measured year on year increase in Patronage | Arriva to provide monthly patronage data between L1BS, LJLA, LSP | Monthly Reporting Requirement | Arriva | Monthly |
| ND PI3 | 24 Hour service patronage | Measure patronage on new services | Operators to provide monthly patronage data to Merseytravel on new services which make up 24 hour routes | Monthly Reporting Requirement | Arriva and Stagecoach | Monthly |
| ND P14 | Patronage pre/post network reviews | Like for like patronage before and after network reviews | Patronage data supplied by operators and Merseytravel Bus Contracts teams | Monthly Reporting Requirement | Arriva, Stagecoach and Merseytravel | Monthly |
| | | | | | | |

| NETWORK DESIGN | | | | | | |
|----------------|---|--|--|-------------------------------|-------------------------------------|---------|
| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
| ND PI5 | Complaints as a result of network reviews | Monitoring of complaint volumes and issues | <p>Complaint volumes received by Merseytravel and reported through CRM system – split out by service change category.</p> <p>Complaint volumes received by Arriva and Stagecoach – split out by service change category.</p> | Monthly Reporting Requirement | Arriva, Stagecoach and Merseytravel | Monthly |

| CUSTOMER DEVELOPMENT / GROWTH | | | | | | |
|-------------------------------|-----------|-----------------------------|--|---------------------|----------------------------------|---------|
| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
| CDG PI1 | New User | Number of new user journeys | Provision and analysis of data in agreed manner. | Provision of Report | Arriva /Stagecoach/ Merseytravel | Monthly |

CUSTOMER DEVELOPMENT / GROWTH

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|----------------|-------------------|-----------------------------------|--|---------------------|----------------------------------|-------------|
| CDG PI2 | Increased Usage | Number of increase usage journeys | Provision and analysis of data in agreed manner. | Provision of Report | Arriva /Stagecoach/ Merseytravel | Monthly |
| CDG PI3 | Repeat Usage | Repeat customer journeys | Provision and analysis of data in agreed manner. | Provision of Report | Arriva /Stagecoach/ Merseytravel | Monthly |
| CDG PI4 | Public Perception | Customer perception of bus | Provision and analysis of data in agreed manner. | Provision of Report | Survey | Annual |
| CDG PI5 | Media Coverage | Media readership/listener reach | Media Data Analysis | Provision of Report | Media Data Analysis | Quarterly |

RELIABILITY & PUNCTUALITY OF THE NETWORK

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|----------------|--------------------------------|--|--|-------------------------|------------------------|-------------|
| RPN PI1 | Transport focus - Punctuality | % of people satisfied or very satisfied | Annual Transport Focus survey (Autumn 2017) | 86% | Transport Focus Survey | Annual |
| RPN PI2 | Transport focus – Journey time | % of people satisfied or very satisfied | Annual Transport Focus survey (Autumn 2017) | 92% | Transport Focus Survey | Annual |
| RPN PI3 | Journey speed increase | Average speed of vehicles core corridors | Merseytravel statistics as per bus data pack | 10% increase in speeds | Merseytravel | Quarterly |
| RPN PI4 | Punctuality | Punctuality of bus services at origin | On time = one minute early and less than 5m59s late. Measured by Merseytravel's RTI system | 95% | Merseytravel | Monthly |
| RPN PI5 | Punctuality | Punctuality of bus services at destination | On time = less than 5m59s late. Measured by Merseytravel's RTI system | 88% | Merseytravel | Monthly |
| RPN PI6 | Reliability | Lost mileage | % mileage not operated – operators to provide data | Less than 0.5% | Arriva and Stagecoach | Monthly |
| RPN PI7 | Efficient operations | PVR changes as a result of punctuality | Any increase / reduction in PVR as a result of quicker journeys or | Provision of Analysis & | Arriva and Stagecoach | Annual |

RELIABILITY & PUNCTUALITY OF THE NETWORK

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|---------|-----------|------------|---------------------------------------|--------|--------|------|
| | | | reduced variability of journey times. | Report | | |

**CUSTOMER EXPERIENCE
ON BUS**

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|--------------|---|---|--|-------------|---|---------|
| CEONB PI1 | Transport focus satisfaction – on board | % of people satisfied or very satisfied | Annual Transport Focus survey | 95% | Transport Focus Survey | Annual |
| CEONB PI2 | Satisfaction – driver | % of people satisfied or very satisfied – helpfulness and attitude of driver. | Annual Transport Focus survey | 77% | Transport Focus Survey | Annual |
| CEONB PI3 | Complaint reduction | Reduction in complaints per 100,000 customers | High level complaint monitoring will be available once one point of contact is implemented | Benchmark | Merseytravel once one point of contact is implemented | Monthly |
| CE0NB PI4 | Mystery shopping results | TBD | New programme being developed | Benchmark | Mystery shopping company | TBD |
| CE0NB | Average fleet age | Mean age of vehicles in each fleet | Fleet age profile to be provided by | Always less | Arriva and | Monthly |

**CUSTOMER EXPERIENCE
ON BUS**

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|----------------|------------------|----------------------------|---|--|---------------|-------------|
| PI5 | | | operators | than 7 years (Subject to clause 18.3 of the Agreement) | Stagecoach | |
| CEONB PI6 | RTI availability | Availability of RTI as a % | % of vehicle with RTI availability, snapshot 3 x per day by Merseytravel control room | 90% by March 2017 | Merseytravel | Monthly |

**CUSTOMER EXPERIENCE
OFF BUS**

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|----------------|-------------------------------|---|--|---|--------------------------|-------------|
| CE0NB PI1 | Contact centre response times | For the bus contact centre: 95% of calls handled within 30 seconds; | Measurement via Contact Centre reporting system – Merseytravel | 95% of calls handled within 30 seconds; | Merseytravel System data | Monthly |
| CE0NB PI2 | Contact centre response times | All complaints responded to within 10 days; | Measurement via Contact Centre reporting system – Merseytravel | 100% within 10 days | Monthly | Monthly |
| CE0NB PI3 | Contact centre response times | All emails responded to within 48 hours | Measurement via Contact Centre reporting system – Merseytravel | 100% within 48 hours | Monthly | Monthly |

SMART TICKETING

| PI CODE | INDICATOR | DEFINITION | NOTES | TARGET | SOURCE | FREQ |
|----------------|--|---|---|---------------|-------------------------------|-------------|
| ST PI1 | Transport Focus: satisfaction with value for money | % of people satisfied or very satisfied | Based on information received in the Annual Transport Focus survey, a minimum percentage of customers should be satisfied with the costs of bus travel. | 75% | Annual Transport Focus Survey | Annual |

Schedule 4

Form of Data Sharing Agreement

REDACTED

Schedule 5

Form of Deed of Adherence

This is the Deed of Adherence referred to in clause 13 of this Agreement

THIS DEED dated [] is supplemental to the voluntary partnership agreement (the "**Voluntary Partnership Agreement**") dated [] 20[] between (1) Merseytravel, (2) Arriva North West Limited and, (3) Glenvale Transport Limited.

Words and expressions defined in the Voluntary Partnership Agreement have the same meanings when used in this Deed.

[] hereby agrees with each other person who is or who becomes a party to the Voluntary Partnership Agreement at today's date that with effect on and from the date of this Deed it is bound by the Voluntary Partnership Agreement as an Operator as if it had been party originally to the Voluntary Partnership Agreement in that capacity.

The address and details for notices of [name] for the purposes of clause 28 (Notices) are: []

This Deed is governed by English law.

EXECUTED and DELIVERED

as a **DEED** by []
acting by its authorised signatory

Schedule 6

Commercially Sensitive Information

Not Used

Schedule 7

Joint Business and Investment Plan

[NB – Certain details have been redacted due to commercial sensitivity]

BUS ALLIANCE JOINT INVESTMENT PLAN 2016/17 (ADDITIONALITY)

| INVESTMENT INITIATIVE | MERSEYTRAVEL (000's) | ARRIVA (000's) | Stagecoach (000's) |
|---|-------------------------|-------------------|-----------------------|
| 1 NETWORK DESIGN | | | |
| Gillmoss Bus Interchange | 130 | [Redacted] | [Redacted] |
| City Centre Routing Review | 30 | [Redacted] | [Redacted] |
| Airport Services | 0 | [Redacted] | [Redacted] |
| Night Services | 0 | [Redacted] | [Redacted] |
| St Helens Network Improvements | 0 | [Redacted] | [Redacted] |
| Kirkby Network Improvements | 0 | [Redacted] | [Redacted] |
| Supported Services - Tender | 0 | [Redacted] | [Redacted] |
| | 160 | [Redacted] | [Redacted] |
| 2 CUSTOMER DEVELOPMENT & GROWTH | | | |
| Marketing | 321 | [Redacted] | [Redacted] |
| Marketing Systems | 190 | [Redacted] | [Redacted] |
| Transport Information | 235 | [Redacted] | [Redacted] |
| | 746 | [Redacted] | [Redacted] |
| 3 RELIABILITY & PUNCTUALITY OF NETWORK | | | |
| Bus Priority Up-grades | 30 | [Redacted] | [Redacted] |
| Bus Priority Trial Route 10a St Helens | 75 | [Redacted] | [Redacted] |
| Tuebrook Roundabout Improvements | 120 | [Redacted] | [Redacted] |

| | | | | |
|----------|---|--------------|------------|------------|
| | Wavertree Road/Durning Road/Tunnel Road Improvement | 20 | [Redacted] | [Redacted] |
| | Formby Rbt - Bypass Approach | 20 | [Redacted] | [Redacted] |
| | Ackers Road/Woodchurch Road Improvement | 20 | [Redacted] | [Redacted] |
| | Red Route Trial Wavertree - Picton Rd | 90 | [Redacted] | [Redacted] |
| | Bus Priority ITS Schemes | 75 | [Redacted] | [Redacted] |
| | Queen Square Signalised Junction Up-grade | 75 | [Redacted] | [Redacted] |
| | | 525 | [Redacted] | [Redacted] |
| 4 | CUSTOMER EXPERIENCE - ON BUS | | | |
| | Enhanced Cleansing Regime | 0 | [Redacted] | [Redacted] |
| | WI-FI /USB | 0 | [Redacted] | [Redacted] |
| | Wi-Fi Support & Maint | 0 | [Redacted] | [Redacted] |
| | Customer Training | 62 | [Redacted] | [Redacted] |
| | Further Fleet Investment (To Reduce Ave & Min Age) | 0 | [Redacted] | [Redacted] |
| | | 62 | [Redacted] | [Redacted] |
| 5 | CUSTOMER EXPERIENCE - OFF BUS | | | |
| | Kirkby Bus Station | 1,750 | [Redacted] | [Redacted] |
| | Pilch Lane Bus Stop Improvements | 55 | [Redacted] | [Redacted] |
| | Old Roan Bus Stop Improvement | 10 | [Redacted] | [Redacted] |
| | Inspectorate (Integrated /Joint working) | 0 | [Redacted] | [Redacted] |
| | One Point of Contact - Facilitation | 95 | [Redacted] | [Redacted] |
| | Real Time Information - Committed | 100 | [Redacted] | [Redacted] |
| | Liverpool South Parkway Bus RTI Screens | 43 | [Redacted] | [Redacted] |
| | Bus Stop Flags (Plates) | 700 | [Redacted] | [Redacted] |
| | | 2,753 | [Redacted] | [Redacted] |
| 6 | SMART TICKETING - FIXED | | | |
| | Administration | 60 | [Redacted] | [Redacted] |
| | | 60 | 0 | 0 |
| | TOTAL FIXED MINIMUM INVESTMENT | 4,306 | [Redacted] | [Redacted] |

6 (A) SMART TICKETING - VARIABLE

| | | | |
|-----------------------|----|------------|------------|
| Physical Walrus cards | 0 | [Redacted] | [Redacted] |
| Web Portal run costs | 20 | [Redacted] | [Redacted] |

TOTAL ANTICIPATED DEMAND LED INVESTMENT

| | | |
|-----------|------------|------------|
| 20 | [Redacted] | [Redacted] |
|-----------|------------|------------|

Note: The above ticketing costs are purely indicative and are based upon assumed/ anticipated volumes.

| | MERSEYTRAVEL (000's) | ARRIVA (000's) | Stagecoach (000's) |
|-----------------------------------|---------------------------------|---------------------------|-------------------------------|
| EXTERNAL FUNDING | | | |
| 8 DFT Low Emission Funding | | | |
| Grant Application £4.98 Million | 4,980 | 0 | 0 |

SUMMARY

| | | | |
|--|-------|------------|------------|
| Total Fixed (Minimum) Investment | 4,306 | [Redacted] | [Redacted] |
| Total Anticipated (Variable) Demand Led Investment | 20 | [Redacted] | [Redacted] |
| Total External Funding | 4,980 | [Redacted] | [Redacted] |

TOTAL FIXED/ANTICIPATED FUNDING

| | | |
|--------------|------------|------------|
| 9,306 | [Redacted] | [Redacted] |
|--------------|------------|------------|

Schedule 8

Governance Structure

REDACTED