

School Transport Assistance Scheme

Service Provider Operations Manual

Translink Division

September 2023

Version 1.2

Version history

Version No.	Date	Nature of amendment
1.0	December 2021	First draft
1.1	July 2022	Update to section 2.15 <i>Fares</i> and 6.2 <i>Calculation of part passes/top up fares</i> for introduction of regional fares and zones
1.2	September 2023	Update to section 2.2 <i>Applications for assistance</i> & 2.11 <i>Contract eligible passengers</i> for Shared Care arrangements. Addition of section 8 <i>Cluster kilometric school bus services</i> .

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1. Introduction

1.1 Purpose

The *School Transport Assistance Scheme (STAS) Service Provider Operations Manual* (the Operations Manual) has been developed to assist the Service Provider to fulfil their obligations under their contract for the delivery of government funded school transport to contract eligible students. It covers a range of policies and guidelines on topics such as operations, payment conditions and administration.

1.2 Who should use this Operations Manual?

This Operations Manual has been designed for Service Providers who carry contract eligible students on services provided under a government funded service contract – including Prescribed School Service Contracts (PSSC), Regional Urban Bus (RUB) contracts and Integrated Mass Transit Area (IMTA) contracts. Service Providers are expected to ensure all staff are familiar with the relevant content.

1.3 Governance

As specified in the Service Contracts, the Department of Transport and Main Roads (the department) may amend the policy of STAS from time to time, which may impact on the operations of the Service Provider. The department will notify the Service Provider in writing of any such amendments to STAS where those amendments will have a substantial effect on the provision of the Contract Services. Where appropriate, the department may engage with Service Providers or relevant industry bodies prior to implementing a change where operations input is required.

1.4 Service contract exemptions

Certain sections of this Operations Manual relate only to certain service types as outlined below:

Section	Subsections	Applies only to
Section 6	6.1/6.2/6.3	Fares-based services
Section 7	7.1/7.2	Individual kilometre-based services
Section 8	8.1/8.2	Cluster kilometric services
Section 9	9.1/9.2	Capital-based services

Subsidised school bus services are operated in accordance with the conditions in the document '*Policy on the introduction and administration of subsidised school bus services*'.

In some circumstances, services may be instituted and operate under a Funding Arrangement. These services operate in accordance with the conditions outlined in that agreement.

1.5 Updates to Operations Manual

The Operations Manual will be updated from time to time if there are changes in policies or guidelines.

Service Providers will be advised by the local Translink Regional Office when the Operations Manual has been updated and specifically what sections have been updated. Service Providers should direct any questions about the Operations Manual to their local Translink Regional Office.

2. General conditions

The information contained in this section relates to all Service Providers contracted to the Queensland Government who receive funding to carry contract eligible students, unless otherwise specified.

2.1 School Transport Assistance Scheme

The Queensland Government provides financial support towards school transport costs for eligible students under STAS. Service Providers are required to implement processes to ensure that eligible students receive the level of assistance approved and funded under the scheme.

The policy of STAS is available in the document *School Transport Assistance Scheme Policy* available at translink.com.au/schooltransport

2.2 Applications for assistance

Applications for STAS assistance can be received online through the STAS Digital Form operator workspace or by paper application form. Applications can only be accepted for the current school year. Applications for travel in a previous school year will not be accepted or approved for payment by the department.

The General Conditions of a PSSC outlines that a Service Provider, upon receipt of an application from an applicant, must assess and provide a response online or by email/post within seven (7) business days to that applicant. When a Service Provider issues an interim approval for assistance, the application must be forwarded onto the department within seven (7) business days, or further time as agreed between the parties, for processing.

Shared care arrangement

Students living in shared care arrangements and travelling on public transport (bus, rail or ferry) to and from school can apply for STAS assistance from both legal parent/guardian residential addresses.

The payment of conveyance allowance for private travel is, however, not able to be approved for a student in shared care arrangements if they are already in receipt of school transport assistance from either parent/guardian address.

Frequency of travel

With the introduction of shared care arrangements, there is no longer a requirement for students to make two trips per week to be eligible for STAS.

2.3 Days that school services must operate

A Service Provider is required to provide Contract Services on all school days. The department will only make payments for school days that a service must operate, as outlined in this section.

A school day is:

- any day on which a school serviced directly or indirectly by the Service Provider is open for the instruction of students of that school,
- is a day that is a numbered day on the school calendar published by the Department of Education for the current school year, or
- is a student-free day that does not occur in the December-January summer vacation.

A reduced level of service may be provided on any school day on which:

- at least one of the schools serviced directly or indirectly by a Contract Service is not open for instruction of the students of that school; or
- all students in at least one-year level will not attend a school that is serviced directly or indirectly by a Contract Service.

On any school day on which clause (i) or (ii) above applies, a Service Provider must provide a level of service sufficient to transport those eligible students:

- who regularly travel on Contract Services; and
- who require, or would be expected to require, transport to or from school on that school day.

Under this requirement, Service Providers must operate an appropriate level of service:

- to provide transport for non-state school students whose school is open on a school day when state school students do not attend school
- to provide transport for the students of any school that is open on a school day when some or all other schools serviced are closed.

Examples:

A reduced level of service can occur on a school day for:

- the local gazetted show holiday (different dates all over the state), for example, some services cross shire/city boundaries to schools in each location but which have different shows gazetted on different dates
- the ministerial special holiday (date on which this is taken is at the discretion of each individual school)
- state schools in the north/west that finish early and have an extra week school vacation at the end of the year
- year levels, for example, 10/11 or 12 that finish earlier at end of year
- non-state schools taking extra school vacation holidays at the end of the year and/or during the year
- student-free days (also known as staff professional development days) - some non-state schools will be open on these days when state schools are closed and instead may close for a staff professional development day on a different school day when state schools are open.

This information can be found on the Department of Education website under Queensland school calendars:

www.education.qld.gov.au

2.4 Designated service

A designated bus service will have a defined school bus catchment area as determined by the department. The school bus catchment area is known as the designated area for the service and students must live within the designated area for that service to receive assistance. School bus catchment areas may not align with Department of Education school catchment boundaries.

A designated bus service can only be provided by:

- the RUB contract holder for the area
- the PSSC holder for the area, i.e. fares-based, individual kilometre-based or cluster kilometric.

Service Providers must have knowledge of the designated area for their services in order to correctly assess applications for assistance.

Students living within the designated area of an individual kilometre-based or cluster kilometric school bus service are not eligible for assistance on a fares-based service, unless otherwise determined by the department.

When determining a student's designated service, the department considers whether the student's principal place of residence is:

- within a bus service contract area
- on or near the route of a service contract
- serviced by a fares-based, individual kilometre-based or cluster kilometric school bus service.

Where separate services are provided for primary or secondary students, a student must travel on the designated bus

service for their year level. In some circumstances, a student's designated service may not travel to their nearest state school. In these instances, the service will transport students to the nominated school as determined by the department.

Eligible primary school students may use a secondary school service only if:

- no primary school services operate in the area
- the department approves the arrangement. Generally, a primary school student would need to reside more than 16km from a state school before the department would consider approval under these criteria.

Eligible secondary students may be approved to travel on a primary school service that connects with their designated secondary school service if they live more than 3.2km from the interchange point of the two services. If there are two interchange points in the student's journey, they must live more than 3.2 km from one of the interchange points.

If a student does not live within a school bus catchment area, the designated service for that student will be the service nearest to the student's residential property which travels to a school with the required year level.

Note: a student does not have a designated bus service if the distance to the nearest bus service which transports eligible students for the required year level is further than the distance from the student's residential property to the nearest state school offering the required year level.

2.5 Bus passes

Under current ticketing arrangements it is not mandatory for Service Providers to issue bus passes. This is a commercial decision left to the discretion of individual Service Providers.

As the department progresses with the implementation of Smart Ticketing on buses operated by urban service contract holders and Queensland School Ticketing on PSSC services, it will be mandatory that students be issued with the appropriate bus pass.

In all cases, Service Providers are required to implement a system that ensures eligible students receive the level of assistance approved and funded by the department.

Where a student applies to travel less than 10 trips per week (for example am or pm only), the Service Provider shall make arrangements to identify the approved travel for that student. A Service Provider must not charge or receive a fare, or other consideration in respect of a journey, or part of a journey, by an eligible student for which government funding is received. The appropriate fare may be charged for travel outside of that funded under STAS.

The following guidelines apply to bus passes:

1. The initial bus pass must be issued at no cost however, Service Providers may charge a reasonable deposit for an electronic bus pass provided it is refunded upon return of the pass in good order and condition.
2. A reasonable fee may be charged for replacement passes that are lost or abused. A replacement fee cannot be charged where a pass is defective.
3. Bus passes should be made to last a reasonable time, given normal wear and tear. For example, passes should be plastic or laminated.
4. The department may request that Service Providers justify the fee charged for a deposit or replacement. It is expected that a fee would not exceed the cost of the actual pass and the administrative cost of producing the pass.
5. Bus passes must be reissued at the commencement of every school year at no cost to the student.
6. Personal information printed on a pass should be limited to a student's name, school attended and year level. It is acceptable, however, for information to be included on the pass which may help to identify the bus stop at which the student boards/alights the bus, for example, Smith Street stop, or the numbers of zones/sections covered by the pass, for example, three zones.

The above guidelines do not apply to passes issued by Translink IMTA Service Providers. Translink has separate guidelines for the issue of passes to school students.

2.6 Changes to student travel

Most changes to travel details are provided by parents/guardians and schools directly to the department.

Service Providers are also encouraged to establish procedures on a local basis to enable prompt notification by students of changes in transport arrangements. These procedures could take the form of regular contact with schools for early advice of students who leave, as well as incentives for students to hand in their passes when they cease to travel.

Service Providers are required to promptly notify the department of any changes to student travel by reporting the changes on the Kilometre Exception Report (individual kilometre-based Service Providers) or Deletion Notification (F011) (fares-based and cluster kilometric Service Providers).

Any change to a student's personal circumstances may affect eligibility. A new application is required to be submitted if a student:

- changes address
- changes school or changes the campus location of the school attended, even if the student is continuing to attend the same school
- changes from year 6 to year 7, even if the student is remaining at the same school
- changes frequency of travel.

Circumstances (for example, road changes and opening of new schools) may also change during a student's schooling which makes a student ineligible to continue to receive assistance or reduce a student's level of assistance. In all cases, the department reserves the right to withdraw travel assistance, adjust payment or assistance levels and recover monies paid.

2.7 Change of school hours

Principals may change the hours of operation of their school to suit local conditions. Some secondary schools may also have flexible arrangements for students involved in vocational education and training and school-based apprenticeships.

In these situations, the department will not pay any additional school transport fares or payments where Service Providers choose to run additional services to accommodate changed school hours.

The operating times of services can be varied, provided the general conditions of contract are met and that appropriate consultation occurs with schools affected, parent/guardian groups and the department.

2.8 New schools

As a key criterion for assistance is the distance from a student's residence to the nearest school, when a new state school opens this can mean a student is no longer eligible for assistance. If this occurs, the student can continue to receive assistance under grandfather arrangements until the end of their current schooling (i.e., primary or secondary) or until there is a change of circumstances. This applies for both state and non-state students.

Any new application received for assistance, including from siblings of grandfathered students, will be assessed on the distance to the nearest school.

2.9 School closures

When a school is closed, either temporarily or permanently, the transport arrangements for the area will be reviewed. The department will consult with the Department of Education when determining future transport arrangements.

2.10 Withdrawal of assistance

The department may withdraw transport assistance and recover monies paid if investigations determine that students are ineligible.

Persons who intentionally provide false information to obtain a benefit may be liable to a fine under Section 149 (3) of the *Transport Operations (Passenger Transport) Act 1994*.

2.11 Contract eligible passengers

Service Providers are required to carry students assessed as contract eligible on their service. The department gives an undertaking to make payment to Service Providers for all contract eligible students, subject to contract type and conditions.

Distance eligible students

Service Providers are required to assess eligibility for distance-based assistance and provide interim approval. Final approval is provided by the department. Approval is ongoing until a student completes either primary or secondary education. This approval is subject to there being no change in a student's circumstances affecting eligibility.

Safety-net eligible students

The department assesses eligibility and provides approval for safety-net assistance. Data matching is undertaken at the end of each school year with Services Australia to confirm eligibility. If the concession entitlement is still current, assistance will continue the following year. If the concession entitlement is no longer current, assistance will cease at the end of that school year with applicants advised in writing by the department.

Note: distance eligible and safety-net students can apply for STAS in shared care arrangements from two residential addresses for travel on public transport (bus, rail or ferry). The address must be the principal place of residence of each student's parent/guardian.

2.12 Other types of government funded students

The following types of students may also be eligible to receive government funded travel on school bus services.

English as an additional language or dialect students

English as an additional language or dialect students who are enrolled in a Department of Education approved Intensive Language Unit may be eligible for transport assistance.

This assistance is funded by the Department of Education but administered by the Department of Transport and Main Roads through STAS. Because of this, the general conditions relating to STAS eligibility do not apply to these students.

Students with disability

The Department of Education is responsible for assessing the eligibility of students with disability for transport assistance and for authorising and funding the Department of Transport and Main Roads to provide transport assistance. All enquiries about transport assistance for students with disability should be directed to the school attended or the relevant Department of Education regional office.

Where a student with disability does not qualify for the assistance funded by the Department of Education, they can apply for STAS assistance, provided they meet the eligibility requirements and can travel independently.

The Service Provider is not responsible for the supply of harnesses or any special seating requirements.

2.13 Other passenger types

The following groups of people can travel on school bus services in order to carry out their official duties.

Principals

Principals may travel on the school bus as required. The purpose of this travel would be to provide advice on behaviour

management.

Conveyance committee members

Members of the conveyance committee (if applicable) may travel on the service to perform duties associated with the management of the service.

Escorts for students with disability

Escorts who are appointed by the Department of Education to supervise students with disability are counted in eligible passenger numbers. They cannot be charged a fare while performing their duties.

The provision of an escort usually occurs on a temporary basis as part of the promotion of the student's ability to travel independently. The provision of a permanent escort may, however, be authorised by the Department of Education where there is a demonstrated need to escort students while travelling.

The Department of Education requires principals to regularly monitor and reassess the continued need for escorts.

Department of Transport and Main Roads Staff

Officers of the department who have duties and responsibilities associated with the operation of these services are permitted to travel on school bus services at any time.

2.14 Fare paying passengers

Where there is spare capacity on a PSSC service, Service Providers may convey students who do not qualify for STAS assistance as well as other fare paying passengers. This travel is subject to the following conditions:

- Fare paying passengers will only be carried if there is capacity after all contract eligible students are catered for.
- Adults can travel only if space exists after all students, both eligible and ineligible, have been accommodated.
- The passenger pays the appropriate fare.
- Department approval is required for route alterations to cater for fare paying passengers.
- The Service Provider is responsible for monitoring capacity and for determining the priority for this space. Adequate advance notice should be given of any intention to withdraw transport from fare paying students for any reason.
- Service Providers are to advise fare paying passengers of conditions of travel.
- On some services, pre-booking of seats may be required.
- Continued availability of space for fare paying passengers cannot be guaranteed. Access to the service and any extensions provided for fare paying passengers may be discontinued though the following circumstances:
 - increased numbers of eligible students, approaching maximum capacity for the vehicle
 - school/route closures
 - reduced size of vehicle.
- The carriage of fare paying passengers is a commercial arrangement between the Service Provider and the passenger. Service Providers are responsible for ensuring that they have the appropriate compulsory third party insurance for the number and type of passengers carried.
- Service Providers and Principals have the authority for the discipline of students where necessary.
- Adult passengers are subject to the sole authority of the driver in terms of behaviour standards. The driver has the authority to remove adults whose behaviour is not appropriate.
- The department may, in the public interest, grant or withdraw approval for fare paying passengers at any time.

2.15 Fares

Fares are to be charged for

- contract eligible students travelling beyond the journey that is funded by government
- students who are not contract eligible
- adult passengers.

In areas where regional fares and zones have been implemented, RUB Service Providers must charge fares in accordance with the Translink Regional Ticketing and Fares Policy on the following service types:

- school services delivered through a RUB contract
- school services delivered through a PSSC

In areas where regional fares and zones have not yet been introduced, RUB Service Providers should continue to charge fares as per current arrangements.

Other Service Providers with a PSSC must charge fares in accordance with the department's School Transport Maximum Cash Fare Schedule located at tmr.qld.gov.au. Where PSSC Service Providers charge fares that are below the maximum prescribed under the School Transport Maximum Cash Fare Schedule, they may be increased by up to 10 per cent each six months until the maximum fare is reached. Service Providers must provide due notice to customers of planned fare increases.

The fare payable using the School Transport Maximum Cash Fare Schedule is calculated by the shortest trafficable distance between the point where the passenger boards the bus and the destination point, not necessarily aligned with the bus route. There are no restrictions on discounts for weekly, monthly or term tickets, provided the maximum approved single fare is not exceeded.

2.16 Compliance with legislation

Service Providers and drivers must comply with the requirements of the *Transport Operations (Passenger Transport) Act 1994* and subordinate legislation as well as other relevant Commonwealth and State legislation.

Information bulletins are available at www.tmr.qld.gov.au/information_bulletins

Legislation is available at www.legislation.qld.gov.au

Operator accreditation

The Service Provider must hold operator accreditation as required under the Act.

Applicants for operator accreditation must successfully complete a training course approved by the Director General of the department.

Drivers

All drivers must hold current and appropriate driver authorisation, as issued by the department. The purpose of driver authorisation is to ensure drivers of public passenger vehicles:

- are capable of safely operating the relevant type of vehicle
- are aware of their customer service responsibilities (refer below)
- conduct themselves appropriately.

Service

All drivers must be competent in providing customer service by:

- behaving courteously towards passengers and the public

- following the processes outlined in the *Code of Conduct for School Students Travelling on Buses*
- following advertised routes and timetables.

Vehicles

All vehicles must be of a design and construction that makes them safe to provide a public passenger service. They must comply with:

- Australian Design Rules at the date of manufacture
- Code of Practice Omnibus Licensing Evaluation S6 (buses manufactured before 20 May 1992)
- relevant vehicle standards and guidelines (available at www.tmr.qld.gov.au/information_bulletins and updated from time to time).

Operation

All vehicles must be in a safe condition to provide a public passenger service and:

- comply with the Transport Operations (Passenger Transport) legislation and the Transport Operations (Road Use Management) legislation
- have the appropriate current registration and third-party insurance
- comply with relevant operational guidelines (available at www.tmr.qld.gov.au/information_bulletins and updated from time to time).

Operational safety

Vehicles must be operated safely and in particular:

- must not be overloaded
- may carry persons who are standing only if:
 - the buses are specifically designed and constructed for the purpose
 - the persons standing travel for less than 20 kilometres
 - the bus does not travel on a road notified by the department as a road on which the bus must not carry standing passengers
 - a bus fitted with seat belts for every seated passenger should not carry standing passengers except where the carriage of a student as a standing passenger would reduce the student's exposure to risk.

Bus seating

Three primary children may be carried in a bench-type bus seat designed for two adults if:

- the seat is not fitted with seat belts or the seat is fitted with either a seatbelt or an approved restraint for each of the three children
- the placement and construction of the seat allows this
- no child sits in the seat for more than a total of 90 minutes while any two other children sit in the seat.

Incident management plan

It is a requirement for Service Providers of public passenger services in Queensland to have a documented Incident Management Plan specific to their own organisation.

The information bulletin *Guidelines for Developing an Incident Management Plan* has been developed and is available for use as a guide. This should be read in conjunction with the department's information bulletin *Incident Management Plans*, available at www.tmr.qld.gov.au/information_bulletins

2.17 Review of service

To ensure optimum operating efficiencies and accountable expenditure of public money, the department conducts operational reviews of services on a regular basis. It should be noted that an operational review is not generally conducted in response to requests to change the school/s that are serviced by a school bus service.

Operational reviews are designed to accomplish the following broad objectives:

1. achieve greater service integration and networking by reducing overlapping and duplication of bus routes
2. maintain, where possible, the level of service to eligible students
3. promote individual service viability and reduce marginal operations.

The operational review is undertaken by the department in consultation with relevant stakeholders to examine the school transport arrangements in an area. The aim is to encourage existing Service Providers to make recommendations for the best use of services dependent on the unique circumstances of each area. This process does not necessarily mean that all bus services will be subject to change, particularly if the review clearly shows the objectives are already being achieved.

If necessary, adjustments to services and routes may be undertaken in order to maintain transport service delivery through a more efficient and cost-effective network. When this occurs, negotiation will occur with affected stakeholders including the Service Provider, the Department of Education and parent/guardian groups.

If the review shows an increased demand which cannot be met by the existing services, the department will consult with local Service Providers to determine available options.

2.18 Bus stop areas

A Service Provider is responsible for the regular review of the designated set down (bus stop) and turnaround areas.

If a new bus stop, or an amendment to a current bus stop location is needed, the Service Provider should consider all safety aspects when determining the most appropriate location. This would include ensuring there is a suitable waiting area, it is safe for students to board and depart the vehicle and the area allows for the bus to pull over, stop and then re-enter traffic safely. The Service Provider should avoid where possible using turn around locations that require a vehicle to reverse.

The department may engage with local road authorities to assist with undertaking safety reviews on bus stops or turnaround areas. Occasionally, the department may request the Service Provider to review a designated bus stop or turnaround area based on safety concerns or route changes.

Service Providers are encouraged to request assistance from their local Translink Regional Office in determining suitable bus stop areas.

2.19 Road signs

The placement of signage relating to the operation of a school bus service is the responsibility of the relevant road authority.

Requests for placement of such road signs should be made in writing to the local Translink Regional Office who will liaise with the relevant road authority.

2.20 Timetables

Service Providers are responsible for the timetable of a bus service, including annual review of each timetable to ensure its continued suitability for students.

2.21 Code of Conduct for School Students Travelling on Buses

All school students travelling on buses are expected to adhere to the *Code of Conduct for School Students Travelling on Buses* (the Code). This includes not only travel to and from school but any travel on buses, including for example travel for excursions and sport.

If students breach the Code, they may be refused travel for a period of time or excluded from the bus service on a permanent basis. When this occurs, parents/guardians are responsible for the student's travel to and from school, including all costs. Under no circumstance is a student to be denied transport unless the procedures under the Code have been followed.

Service Providers hold responsibilities under the Code and must ensure that their drivers receive training in the Code and the management of student behaviour. Service Providers must also ensure they comply with the Code and provide written advice to all relevant stakeholders concerning any serious breaches in accordance with documented processes.

The department has developed supporting resources, including stakeholder information sheets and letter templates, which are available to Service Providers. These are available by contacting your local Translink Regional Office.

The Code is available at translink.com.au/buscode

2.22 Surveillance equipment and CCTV on school buses

Service Providers can choose to fit surveillance cameras and recording equipment to school buses as a useful tool in the monitoring of behaviour. The equipment not only acts as a deterrent to unacceptable behaviour, but also provides evidence in identifying those students who are behaving inappropriately.

It is expected that before fitting such equipment, consultation has occurred between the Service Provider, parents/guardians of the students and the schools involved.

A recommended code of practice for the use of CCTV by operators of passenger transport services and infrastructure has been developed and is available at www.tmr.qld.gov.au/information_bulletins

2.23 Role of Service Provider

2.23.1 Contract obligations

Service Providers are bound by the conditions of their service contract. In addition to contract conditions, the Service Provider must:

- comply with all statutory requirements associated with the use of a passenger transport vehicle used in the carriage of students
- maintain all vehicles in accordance with the current legislative requirements and departmental policies
- provide a suitable approved vehicle of adequate passenger capacity able to carry all passengers
- develop a documented program for training drivers in their responsibilities under the *Transport Operations (Passenger Transport) Act 1994* and subordinate legislation
- ensure their drivers are trained in their obligations under the *Transport Operations (Passenger Transport) Act 1994* and subordinate legislation. The training must include the Code and the management of student behaviour
- check the currency of a driver authorisation by accessing the Public Transport Driver Authorisation System, a free government online system which has been specifically designed to ensure that the privacy of the driver is protected at all times
- not operate, or allow someone else to operate a vehicle providing the service, unless the insurance requirements under the *Motor Accident Insurance Act 1994* for the vehicle have been complied with
- comply with the Code
- ensure the wellbeing of students travelling on their buses
- deliver students to their destination, whether that is a school, home or a bus interchange

- take reasonable steps to ensure the safety of students at bus interchanges – this may include arrangements where students remain on the bus until arrival of the interchanging bus or streamlining schedules to minimise waiting times
- if applicable, liaise with the conveyance committee about the operation of the service.

2.23.2 Authority

A PSSC holder is not permitted to pick up fare paying passengers in declared areas or routes. A declared area or route is an area or route for which the department has declared in accordance with Section 42 of the *Transport Operations (Passenger Transport) Act 1994* that a service contract is required to provide a public passenger service for the area or route.

Declarations made under Section 42 have generally been limited to areas and routes which are the subject of urban service contracts and the holders of these contracts are required to provide the road-based scheduled passenger services in these areas or routes. This means that unless the department has specifically excluded a PSSC service from the requirements of the urban service contract, the Service Provider is prevented from picking up and setting down eligible school students or fare-paying passengers in these areas or along declared routes.

However, fare-paying passengers may be picked up by the PSSC Service Provider in a declared area or along a declared route if the Service Provider has written authorisation from the relevant contract holder to pick up fare-paying passengers.

In areas or on routes that are not subject to a declaration under Section 42, there is no restriction on the carriage of passengers over those routes.

Information on declared service contract areas and routes is available at tmr.qld.gov.au.

2.23.3 Restrictions

Sub-contracting is not permitted without the prior approval of the department.

2.23.4 Drivers

The Service Provider is responsible for all actions of its drivers and must ensure that drivers are fully aware of the approved route, bus stops, timetable, the Code and any other factors necessary for the safe operation of the service.

A driver with a learner's permit is not permitted to operate a vehicle while passengers are on board.

2.24 Service changes due to emergencies

In instances of vehicle breakdown, adverse weather or other emergencies that prevent the Service Provider from meeting their contractual obligations due to circumstances outside of their control, it is an expectation that the Service Provider will put alternative transport arrangements in place. If this is not possible, the Service Provider is to advise parents/guardians, schools and the department immediately.

During school hours, no changes to transport arrangements in emergency situations can be made without the approval of Translink in consultation with the school principal. The school principal is the only person who has the authority to close a school, therefore it is the responsibility of the appropriate Department of Education representative to make contact with parents/guardians to collect students as per the Department of Education's emergency response plans. Operating a contracted school bus service earlier than the scheduled time has the potential to create unintended risks for children after they leave the bus. Bringing forward afternoon school bus services is only permitted when positive communication with parents/guardians can be guaranteed by the appropriate Department of Education representative. On the rare occasions when it is possible to contact all parents/guardians and it is deemed safe to conduct the service early, the Translink local office staff will authorise the change of timings.

Where schools are unable to confirm arrangements with parents/guardians, the student should remain in the care of the school for collection by parents/guardians. It is the Service Provider's responsibility once a service has commenced to contact the parent/guardian if it is identified by the bus driver that part/all of the service cannot be performed. Students

that are already on the service must remain on the service until alternative and appropriate arrangements for their care have been made with the parent/guardian, school or other authority.

Service Providers must report any alterations or non-running of the service on their relevant pay period documentation for submission to their Local Translink Regional Office.

2.25 Road conditions

The road over which a public passenger service operates must be regarded as suitable and safe under normal conditions by the relevant road authority. The Service Provider should inform the department immediately if road conditions deteriorate to a level which could affect its suitability as a school route.

2.26 Fare evasion

Under the *Transport Operations (Passenger Transport) Act 1994 (Section 143AG (1)(c))*, a bus driver has the power to refuse travel to a person who has evaded or attempted to evade a fare. However, in the case of a school student who evades or attempts to evade a fare, the issue is more complex. This is because under *Section 143AI*, a driver cannot refuse a school child travel if the direction is likely to endanger their safety or is inconsistent with the Code.

According to the Code, fare evasion is listed as an example breach under Category 1 – Unacceptable behaviour. This means that a school student can only be refused travel if the proper processes outlined in the Code have been followed.

Following these processes ensures that a school student is not put at any unnecessary risk by a bus driver leaving them behind at a bus stop.

3. Administration

The School Transport Information Management System (STIMS) database is used to administer STAS.

Access to this database is restricted to authorised officers of the department and the database is managed in accordance with Queensland's *Information Privacy Act 2009*.

Service Providers are also subject to certain requirements of the *Information Privacy Act 2009* in relation to the access, storage and disclosure of personal information held in order to carry out the Contract Service.

3.1 Verification reports for Service Providers

To ensure the accuracy of payments being made to Service Providers and to satisfy business requirements, Service Providers must complete an operator verification report on a regular basis.

These reports are generated by the department and list all eligible students recorded in the STIMS database as receiving transport assistance.

Service Providers should check these reports for accuracy, ensuring that:

- all details are correct
- applications have been submitted for all students who do not appear on the report
- all students who no longer use the service have been deleted.

After verifying all details are correct, Service Providers should sign and return the verification report to their local Translink Regional Office.

Each page of the verification report is to be signed. In cases where the verification report is quite lengthy, it is acceptable for the Service Provider to amend the certification on the last page of the verification report to include the page numbers, initial the alteration and then sign the certification.

3.2 Verification reports for schools

A similar verification process is undertaken with the Department of Education and non-state schools each term to verify student enrolments and personal details such as address and guardian.

Assistance may be revoked if student details cannot be verified during this process.

4. Payment information

4.1 Payment procedures

Payment is made via direct deposit into a Service Provider's bank account through electronic funds transfer (EFT). The form *School Transport New/Amended Payee Bank Details* (F005) should be completed to advise the department of these details and when further changes occur to bank details. This form is available from your local Translink Regional Office.

The following documentation will be forwarded at the end of each pay period:

- Operator Statement
- Recipient Created Tax Invoice (for all non-IMTA Service Providers)
- Kilometre Exception Report (individual kilometre-based Service Providers only)
- Cluster Summary Report (cluster kilometric Service Providers only – see section 8.1.4 Cluster Summary Report)
- Fares Based Vehicle Exception Report (fares-based Service Providers only)

Upon receipt of the documentation, Service Providers should check all details on the operator statement and the recipient created tax invoice and ensure that all transactions are correct. Any adjustments to payments will be shown on the operator statement with a brief explanation for each adjustment type. This paperwork should be retained by the Service Provider.

The Kilometre Exception Report and Cluster Summary Report (if applicable) is required to be completed, signed and returned to the department.

4.2 Payment dates

The dates on which payment is generated are specified by the department each year.

An information statement which outlines the payment dates for the following year is distributed to Service Providers in December each year and is also available online at www.tmr.qld.gov.au/schooltransport

4.3 Payment rate variations

STAS payment rates and approved fare schedules are indexed annually based on the department's nominated indexation method. Details of the indexation method are available online at tmr.qld.gov.au/schooltransport. The department also utilises a fuel price index which allows the department to respond to fluctuations in fuel prices as they occur.

Fuel prices are obtained from FUELtrac, an independent organisation which provides a wide range of fuel-related services to organisations throughout Australia and New Zealand.

Fuel prices are monitored each month and payments to Service Providers may be adjusted quarterly.

For Service Providers operating under an individual kilometre-based or cluster kilometric PSSC, a change will be made to the variable component of their payment rate, while for fares-based Service Providers the STAS fare schedule will be adjusted to reflect the variation in fuel prices.

Further information on the current payment rates and the variation for fuel prices is available in the relevant information statement (*refer Section 10: Information Statements and Forms*) or by contacting your nearest Translink Regional Office.

4.4 Natural disasters

Special payment arrangements may apply for school bus services in areas of Queensland impacted by a declared natural disaster.

Eligibility for special payment arrangements will be assessed on a case-by-case basis and relevant payment information distributed to Service Providers directly affected by the disaster.

4.5 Government directives

Special payment arrangements may apply for school bus services when schools are closed or operating at part capacity due to government directives e.g., public health directives.

Relevant payment information will be distributed to affected Service Providers.

4.6 Tax implications for Service Providers

It is a condition of contract that all Service Providers who are registered for GST provide their ABN and GST registration details to the department.

Service Providers must advise their local Translink Regional Office when any of their ABN or GST registration details change. Examples include if a Service Provider is no longer registered for GST, or if their ABN changes due to a change in business arrangements.

Failure to advise the department is a breach of contract and could result in action being taken. If GST registration details have changed and the Service Provider has not advised the department, it may also result in any GST amount paid to the Service Provider having to be repaid.

4.7 Fuel tax credit scheme

The Fuel Tax Credit Scheme is administered by the Australian Taxation Office and provides a grant to eligible transport Service Providers on the price of diesel and petrol fuel.

It is the Service Provider's responsibility to register for the fuel tax credit. Information about the fuel tax credit and how to register can be obtained from the Australian Taxation Office website at www.ato.gov.au

5. Vehicles

5.1 School Bus Upgrade Scheme

The Queensland Government provides funding to eligible Service Providers under the School Bus Upgrade Scheme (SchoolBUS) to assist with the purchase of new buses or buses that are less than five years old.

If a Service Provider receives SchoolBUS funding, they enter into a SchoolBUS Agreement with the department. This agreement specifies that the Service Provider will use the SchoolBUS funded vehicle on the applicable route determined by the department to provide the contract service on all school days. The only exception is when the department has given written approval otherwise, or if the upgraded vehicle is not operational.

Information on the assistance available under SchoolBUS is contained in School Transport Information Statements 16A and 16B available at www.tmr.qld.gov.au/schoolbus

Further information on the payment structure of services under the capital-based system is also contained in *Section 9 - Capital-based school bus services*.

5.2 Permanent replacement buses

Any bus introduced on a contracted STAS service must be less than 15 years of age at the date of change and meet Australian Design Rule 59/00-Omnibus Rollover Strength (ADR59/00)*.

Vehicles that do not meet ADR59/00* or vehicles greater than 15 years are not permitted under any circumstances.

**C1/NC1 vehicles are not required to meet rollover*

5.3 Use of other vehicles in emergency circumstances

Where the vehicle nominated to provide the service under the service contract is prevented from being used due to an emergency, the Service Provider must make all reasonable efforts to arrange for alternative transport for the students.

An emergency is limited to mechanical breakdown/repair or vehicle accident. This would normally mean that an alternative or relief vehicle, which is suitable to provide a continuity of service delivery for the safe transport of the students, would be used.

In these situations, the Service Provider must ensure that their local Translink Regional Office and all schools affected are notified immediately of any alternative arrangements put in place.

5.4 Relief or temporary vehicles

When a relief or temporary vehicle is required, an alternative relief vehicle which can provide continuity of service delivery for the safe transport of students should be used. A Service Provider may have a spare vehicle within their fleet which can be used. In these cases, the Service Provider is required to provide details of such vehicles to their local Translink Regional Office prior to use. In other cases, a Service Provider can obtain a hire bus from another Service Provider or company. Where this occurs, the Service Provider must ensure that the department is provided with details of these arrangements.

Individual kilometre-based Service Providers

The following conditions relate to the use of relief vehicles for individual kilometre-based Service Providers:

1. Details of what caused the breakdown or repair of the permanent vehicle must be advised on the Kilometre Exception Report.
2. The use of a relief vehicle to replace a permanent vehicle that is being used for charter or any other purpose

is not permitted under any circumstances.

3. If a Service Provider replaces a vehicle without approval (where required) or for a reason other than the repair of the permanent vehicle, they will be in breach of their contract and the department may:
 - a) Adjust the payment category to the correct category from the date of change and recover any overpayment based on the adjustment, and
 - b) Take action under the Key Performance Indicators of the contract, and
 - c) Consider repayment of SchoolBUS funding, contract termination or the non-renewal of contract for multiple breaches of the relief vehicle policy.

Fares-based or cluster kilometric Service Providers

Service Providers holding a fares-based or cluster kilometric PSSC who replace a SchoolBUS funded vehicle for a reason other than the repair of the permanent vehicle will be in breach of their contract and the department may:

1. Take action under the Key Performance Indicators of the contract; and
2. Consider repayment of the SchoolBUS funding, contract termination or the non-renewal of contract for multiple breaches of the relief vehicle policy.

Service Providers who have permanent vehicles with a regular record of breakdown will be subject to a Passenger Transport Audit by the department.

Vehicles allowed for use as a relief vehicle on an individual kilometre-based, cluster kilometric or fares-based service

The following outlines the vehicles allowed to be used as a relief vehicle:

1. Any vehicle used must comply with statutory legislative vehicle requirements.
2. A vehicle less than 15 years of age that meets ADR59/00 (rollover)* can be used as a relief vehicle with no limit to the number of days.
3. A vehicle greater than 15 years of age that meets ADR59/00 (rollover)* can be used as a relief vehicle for up to five school days or 10 trips in a block with a maximum of 10 school days or 20 trips per year (a trip is regarded as the whole or part of a morning or afternoon service). Prior departmental approval must be obtained where there is a need to exceed these periods. Documentation from an independent person will be required with the application.
4. A non rollover* compliant vehicle is only permitted for limited use if the vehicle has been registered to the Service Provider continuously from 1 July 2009. A non rollover* vehicle can be used as a relief vehicle with the same limits as a vehicle greater than 15 years of age, however, prior approval from the department must be obtained and no extensions are allowed to these limits.

** C1/NC1 vehicles are not required to meet rollover*

5.5 Change of vehicle notification

When changing the permanent vehicle on a service, the Service Provider is required to provide details of the replacement vehicle to the department.

In some instances, a change of vehicle may affect existing payment rates for kilometre-based services. Prior to any change of vehicle, the Service Provider must discuss the proposed change with the department to ensure that an informed decision can be made.

6. Fares-based school bus services

6.1 Payment conditions

6.1.1 Basis of payment

Fares-based school bus services provide transport for the payment of individual student fares. Students who satisfy the STAS eligibility criteria are eligible to receive assistance on the approved fares-based bus service designated for their area. The department will pay the required fare directly to the Service Provider.

Services usually operate to both state and non-state schools within the Service Provider's approved service area as demand dictates. Where students attend schools (state or non-state) other than the nearest, the government may provide assistance for part of the journey. When this occurs, the parent/guardian is responsible for the payment of any excess fares (refer *Section 6.2 Calculation of part passes/top up fares*).

Payment will only be made for travel undertaken in the current school year for school days on which services must operate. If applications are received for travel which commenced prior to the current school year, payment will only be made from the first day of the current school year.

When a student ceases travel, the department will recover any payments made to the Service Provider from the date the student ceased travel. The Service Provider must advise the department promptly of any students who stop travelling.

6.1.2 STAS fare schedule

The STAS fare schedule sets out the prescribed fares that are paid by the department to fares-based Service Providers for the carriage of distance eligible students. It does not relate to cash fares.

The STAS fare schedule uses uniform cost increments to establish section or zonal fares for service contract areas or routes. These fare zones or sections are determined on the following basis:

- The fare calculation scale is based on standard 1.6 kilometre distance cost increments.
Note: this is not to be interpreted as a requirement for Service Providers to adopt 1.6 kilometre zones/sections. The 1.6 kilometre distance increments are used to determine the distance cost which is representative of the average distance travelled for the students in the zone/section. Zone structures are to be negotiated between the Service Provider and the department.
- The fare payable for each student will be calculated by the shortest trafficable distance between the boarding point and the school which eligibility is based on, not necessarily aligned to the bus route.
Note: for bus services based on fare zones, an eligible student's boarding point is regarded as being the zone in which the student resides. For bus services based on fare sections, the boarding point is regarded as being that point on the bus route closest to the student's residence by the shortest trafficable distance. The only cases where this would not apply are where the student nominates a boarding zone/section closer to the school.

6.1.3 Payment for distance eligible students

The department will pay the appropriate STAS fare directly to the Service Provider for each student assessed as distance eligible. The appropriate STAS fare will be based on the journey to the nearest state school or nearest non-state school of type, whichever is closest. STAS fares are determined by the department and are published in School Transport Information Statement No. 9.

Where a student undertakes a journey in excess of that funded by the government, they can be charged a top up fare.

Payment for distance eligible students is modified to reflect a student's frequency of travel and is based on average travel patterns. This involves a percentage adjustment of 10 per cent applied to the weekly STAS fare (that is, a maximum payment of nine single fares) as outlined below. This adjustment is to reflect non-usage of services by students and eliminates the necessity for Service Providers and schools to undertake detailed individual checks of student attendance.

Formula adjustment for distance eligible students	
Frequency of travel	Method of calculation
1 – 5 trips (10% to 50% travel)	Paid five times the single STAS fare
6 – 10 trips (60% to 100% travel)	Paid the weekly STAS fare (nine times the single STAS fare)

The above formula adjustment also applies to the small number of Service Providers where STAS fares do not apply, for example, ferry services.

6.1.4 Payment for safety-net eligible students

The department will pay Service Providers the applicable weekly safety-net benefit for each student assessed as safety-net eligible. Safety-net amounts are determined by the department and indexed annually. Service Providers are advised of benefit amounts at the start of each school year in the appropriate School Transport Information Statement.

As safety-net is an assistance towards the actual cost of travel for students, a formula adjustment does not apply. The weekly benefit amount is paid for all safety-net students, irrespective of travel frequency.

A top up fare is payable in instances where the cash fare for the student’s weekly travel exceeds the safety-net level of payment.

The following levels of safety-net assistance apply:

IMTA services (Translink SEQ)

Safety-net students who travel on IMTA services will receive a benefit that covers the shortest trafficable distance from the student’s residence to the school attended, up to a maximum of 3.2km for primary and 4.8km for secondary school students.

Where the distance by the shortest trafficable route to the school attended is more than these distances, parents/guardians will be required to pay a top-up fare for the additional distance.

RUB services

Students who are eligible to travel on RUB services under safety-net provisions will receive a single benefit. This benefit will be paid directly to the Service Provider. Parents/guardians are responsible for the payment of any excess fares.

PSSC services

The department will pay an amount directly to the Service Provider for safety-net students travelling on PSSC services. There are different benefit amounts for primary and secondary aged students. Parents/guardians are responsible for the payment of any excess fares.

6.2 Calculation of part passes/top up fares

In some circumstances, the government funding approved for eligible students will not cover the cost of their journey. Parents/guardians are responsible for payment of any excess fares. This is referred to as a part pass or top-up fare.

6.2.1 Distance based assistance

PSSC contracted services

Calculation	
Shortest trafficable journey, boarding point* to school attended	15km
Shortest trafficable journey, boarding point* to nearest state school	10km
Excess distance	5km
Secondary student single cash fare for 5km	\$3.50 [#]

Primary student single cash fare for 5km	\$2.80 [#]
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These amounts are examples only

Note 1: this is an example of a maximum part pass top-up fare a Service Provider is permitted to charge for a 5km journey. Top up fares are cash fares and must be charged in accordance with the conditions outlined under Section 2.15 Fares.

Note 2: Where a Service Provider has a weekly fare with no established single fare, the single fare should be set in accordance with the standard discount rate applied by the Service Provider to other fares (that is, if on all other fares, eight single trips = weekly fare, then the single fare will be calculated as 1/8 of the weekly fare). If the Service Provider does not have a standard discount rate, then the single fare may not exceed 12.5 per cent of the weekly fare.

Where a Service Provider previously charged no top-up as a commercial decision but decides to introduce top-up fares, the fares must be charged in accordance with Section 2.15 Fares. In instances where the School Transport Maximum Cash Fare Schedule applies, the fares can be any amount up to the maximum.

As with other cash fares, there is no requirement to offer weekly discounts.

If the halfway point between two schools (that offer the same year levels) falls within a fare zone or fare section which yields equal STAS fares to either school, the Service Provider cannot charge a top up fare for eligible students residing in that zone/section if they attend either school.

IMTA services (Translink SEQ)

Calculation	
Distance to school attended	8km
Distance to nearest state school	5km
Excess distance	3km
Top Up fare level is based on excess distance	

RUB services

Examples 1 and 2

Where eligible students travel beyond the distance to their nearest state school, they are charged a top-up fare based on the excess number of zones travelled.

Example 1	
Distance to school attended	8km
Distance to nearest state school	5km
Excess distance	3km
Number of zones to school attended	3
Number of zones to nearest state school	1
Excess zones	2

Example 2	
Distance to school attended	12km
Distance to nearest state school	11km
Excess distance	1km
Number of zones to school attended	2
Number of zones to nearest state school	2
Excess zones	1

Note: In cases where the excess distance is greater than zero, but travel is the same number of zones, a top-up fare based on a minimum of one zone must be charged. Where the distance differential is negative, no top up fare can be charged.

Example 3

Student's origin of travel to school (and/or destination of travel from school) is outside the RUB contract area:

Example 3 Calculation	
Distance to school attended	19km
Distance to nearest state school	10km
Excess distance	9km
Nearest state school is located in zone	4
School attended is located in zone	1

Excess zones	3
Outcome: Student can be charged for 3 zones	

Note: Where the origin of travel is outside the RUB contract area, the actual number of zones from the nearest state school to the school attended can be charged.

6.2.3 Safety-net assistance

Service Providers must allow safety-net students to pay top up fares on a per trip or weekly basis.

Examples– top-up for weekly travel

PSSC services

Calculation	
Weekly fare (from Service Provider's approved cash fare schedule)#	\$20.00
Less safety-net benefit (paid by the department) *	\$14.80*
Weekly top-up	\$5.20
# Discounted where offered. In this example, 8 x \$2.50 single fare = weekly fare	

RUB services

Calculation	
Weekly fare (from Translink Regional Ticketing and Fares Policy)#	\$18.00
Less safety-net benefit (paid by the department) *	\$12.90*
Weekly top-up	\$5.10
# Discounted, where offered. In this example, 8 x \$2.25 single fare = weekly fare	

Examples - per trip top-up calculation

If the student elected to pay the top up on a per trip basis, the calculation would be:

PSSC services

Calculation	
Single fare \$2.50 x 10	\$25.00
Less safety-net benefit (paid by the department) *	\$14.80
Balance	\$10.20
Divide balance by 10	
per trip top-up	\$1.02
per trip top-up (rounded to nearest 5 cents)	\$1.00

RUB services

Calculation	
Single fare \$2.00 x 10	\$20.00
Less safety-net benefit (paid by the department) *	\$12.90*
Balance	\$7.10
Divide balance by 10	
per trip top-up	\$0.71

per trip top-up (rounded to nearest 5 cents)	\$0.70
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Examples – top-up for am or pm travel

PSSC services

Calculation	
Single fare \$3.00 x 5	\$15.00
Less safety-net benefit (paid by the department) *	\$11.10*
Balance	\$3.90
Divide balance by 5 (am or pm trips)	
per trip top-up	\$0.78
per trip top-up (rounded to nearest 5 cents)	\$0.80

RUB services

Calculation	
Single fare \$3.50 x 5	\$17.50
Less safety-net benefit (paid by the department) *	\$12.90*
Balance	\$4.60
Divide balance by 5 (am or pm trips)	
per trip top-up	\$0.92
per trip top-up (rounded to nearest 5 cents)	\$0.90

* The monetary amount is an example only. The benefit amount will vary from year to year.

IMTA services (Translink SEQ)

The safety-net bus travel benefit for students travelling on IMTA contracted services provides a journey of up to 3.2km for primary and 4.8km for a secondary student.

Where the distance by the shortest trafficable route to the school attended is greater than these distances, students will be required to pay a top-up fare for the extra distance involved.

Calculation	
Distance to school attended	6.3km
Maximum Translink benefit (secondary)	4.8km
Safety-net top-up cash fare	1.5km

6.3 Conditions of operation

6.3.1 Authority

Service Providers of fares-based prescribed school services are issued with a PSSC. These contracts are authorised under the *Transport Operations (Passenger Transport) Act 1994*. Where there is spare capacity on a service, Service Providers may convey fare-paying passengers and students who do not qualify for STAS assistance.

6.3.2 Extensions to services or additional services

In existing fares-based contract areas, it is the Service Provider's responsibility to respond to an increase in travel demand. The Service Provider may be required to meet this demand by providing additional services for overload situations or extend services within the existing contract area.

Consultation should occur with the local Translink Regional Office on planned extensions or additional services.

7. Individual kilometre-based school bus services

7.1 Payment conditions

7.1.1 Basis of payment

Individual kilometre-based school bus services are those services that operate as a single route under a kilometre-based PSSC. Payment to kilometre-based contract holders is based on the assessed category of the service as well as the distance travelled over the approved route.

There are five payment categories applicable to kilometre-based school bus services and the rates are published in School Transport Information Statement No.6 which is issued from time to time by the department.

Kilometre-based school bus services receive funding under two payment models:

1. Kilometre-based payment model ('C' rates) – this payment model applies to vehicles that have been in service on a STAS funded service prior to 1 July 2009
2. Capital-based kilometric payment model ('NC' rates) – this payment model applies to vehicles that have been introduced into service on a STAS funded service on or after 1 July 2009. Refer to *Section 9: Capital-based school bus services* for additional information relevant only to capital-based services.

7.1.2 Payment rate structure

Payment rates for both the kilometre-based and the capital-based kilometric payment model comprise a fixed and variable component relative to the assessed vehicle category.

The basic payment rate structure has two separate components:

- **Fixed rate**

The fixed rate is a set amount per vehicle per day and covers fixed costs such as registration, insurance and administration. The distance travelled over the bus route has no bearing on this rate.

The fixed component is indexed each year.

- **Variable rate**

The variable rate represents the running cost of a vehicle and is paid on a per kilometre basis for the distance travelled over the approved route. This component meets the costs of tyres, fuel and oil, and maintenance for a representative school bus service. It is indexed annually with the fuel component being tracked monthly and quarterly adjustments being made for movement that has occurred in fuel prices.

The loaded and unloaded distance are calculated for payment of kilometre-based school bus services.

For services paid under the kilometre-based payment model ('C' rates), the unloaded portion is limited to a maximum amount per day, known as the maximum unloaded payment. Application of the maximum unloaded payment applies to services throughout Queensland where large distances are travelled daily.

For services paid under the capital-based kilometric model ('NC' rates), there is no maximum unloaded payment. Each kilometre travelled in excess of 160km per day (daily distance of loaded plus unloaded) will be paid a supplementary rate per kilometre, in addition to the standard variable rate.

Service Providers receive payment according to the following factors:

- **SEQ** - services operating within the south-east Queensland (SEQ) school transport zone receive SEQ rates
- **Rest of State** - services operating wholly outside the SEQ school transport zone receive 'rest of state' (ROS) rates. These are paid at a higher variable rate per kilometre to assist those Service Providers who incur higher costs due to their geographical location.

A map defining the SEQ school transport zone is available in the STAS Policy document, available online at www.tmr.qld.gov.au/schooltransport or by contacting the department.

- **Fuel Grant Credit Scheme** – under the kilometre-based payment model, a higher variable rate per kilometre applies to vehicles with a GVM of less than 4.5 tonne that do not qualify for assistance through the Fuel Tax Credit Scheme.
- **Capital component** - for vehicles approved under SchoolBUS and paid under the capital-based kilometric payment model, a capital component is also paid in addition to the fixed and variable rates. Further information is available in Section 9: Capital-based school bus services.

7.1.3 Payment categories

Determination of payment categories

The payment category for a service is determined by the department based on the following:

- **Point of maximum loading (PML)**

The PML is the point on the service where the greatest number of seats are required for the transport of eligible students. Eligible students are students who qualify for distance-based assistance, and may, in some circumstances, also include safety-net students. Determination of eligible student numbers is assessed on a case-by-case basis and considered at the discretion of the department.

- **Vehicle category required to transport eligible students at the PML**

When determining the vehicle category required for a service, the department will consider the vehicle specifications in the assessment.

Vehicle categories

Kilometre-based payment model ('C' Rates)

The five payment categories under the kilometre-based payment model are shown below.

Vehicle categories – kilometre-based payment model	
C1	Toyota Hi-Ace, Toyota Commuter, Toyota Tarago, Toyota Troop Carrier, Nissan Urvan, Mercedes Benz Sprinter, Ford Transit or vehicle of similar chassis size*
C2	Toyota Coaster, Fuso Rosa or vehicle of similar chassis size*
C3	23-41 adult passenger seats
C4	42-53 adult passenger seats
C5	54 and over adult passenger seats
*For vehicles of similar chassis size, please contact your local office so that vehicles can be assigned to the correct category.	

The payment category (for C3 to C5) is determined by the adult seating capacity of the vehicle as shown on the compliance plate. Should a vehicle not have a compliance or modification plate, the correct seating capacity will be determined by the motor vehicle inspector at the vehicle's next inspection.

The adult seats in categories C3, C4 and C5 are based on buses that have a seating configuration of four adult seats across, behind the driver's seat and forward of the back row of seats at the rear of the bus. The department will assess buses with different seating configurations individually. This means that for the purpose of category classification, the fifth seat of a five across format will not be taken into account.

It should be noted that a vehicle listed in categories C1 or C2 cannot be paid at a higher category, irrespective of the seating capacity, as these vehicles are paid on the basis of chassis size.

The driver's seat and jump seats are not to be included in the adult passenger seating capacity. Under the operational requirements of operator accreditation, jump seats are not permitted to be used at any time.

Articulated buses are paid under Category 5.

Capital-based kilometric payment model ('NC' Rates)

The capital-based kilometric payment model was implemented in July 2009. Vehicles introduced into service on or after 1 July 2009 will generally attract payment under this model.

When there is a change of vehicle on a service to a vehicle that has not previously been part of the Service Provider's school bus fleet, the replacement vehicle must meet ADR59/00 (rollover)*. The service will be paced on the fixed and variable payment rates applicable to the capital-based payment system.

The five payment categories under the capital-based kilometric payment model are shown below. These categories apply for all vehicles introduced into service after 1 July 2009, including Service Provider funded vehicles that do not attract capital funding.

It should be noted that there may be limited instances where a vehicle introduced into service on or after 1 July 2009 may be paid under the kilometre-based payment model ('C' rates) if it was formerly paid under the fares-based model and subsequently introduced onto a kilometre-based service. This will be determined on a case-by-case basis at the department's discretion. In such circumstances, kilometre-based payment rates ('C' rates) will only apply until the vehicle is replaced through SchoolBUS, from which point capital-based kilometric payment rates ('NC' rates) will apply.

Vehicle categories – capital based kilometric payment model			
Category	Indicator	Example	Minimum passenger seating
NC1	Bus type	Toyota Commuter	13
NC2	Bus type	Toyota Coaster Fuso Rosa	20
NC3	Body length	< 9m	30
NC4	Body length	9m to 11m	39
NC5	Body length	11.5m+	57

Conditions

1. Both the body length and the minimum number of seats must comply with the requirements identified in this table. Non-compliance will result in default to the next lower category.
2. Passenger seating is based on standard four-across format in NC3, NC4 and NC5 categories.
3. The number of eligible students at the PML requires a vehicle of this configuration.

*C1/NC1 vehicles are not required to meet rollover.

Determination of Passenger Loading

Subject to a vehicle's gross vehicle mass (GVM) limit, passengers may be loaded in accordance with the following:

- Not more than one passenger sits in any adult seat, however, three primary students may sit in two adult seats provided:
 - It is a bench type seat that is not fitted with seatbelts; or
 - it is a seat belted seat specifically constructed to convert from two adult seating positions to three child seating positions with a seatbelt for each child; and
 - no child sits in the seat for more than a total of 90 minutes while any two other primary students sit in the seat
- no passenger stands for more than 20 kilometres
- no standing passengers are carried on the vehicle if the vehicle is travelling on a road notified by the Chief Executive, by gazette notice, as a road on which a vehicle must not carry standing passengers, (refer to www.tmr.qld.gov/schoolbus for a current list of E3 classified roads).
- passengers are not permitted to be carried in jump seats at any time.

These factors are used to calculate the number of adult passenger seats occupied by the passengers at the PML. This

calculation determines the vehicle category needed for the service.

Increase in category

Should circumstances change so that a larger vehicle is required to legally carry all eligible students, the Service Provider may apply for an increase in payment category. A service cannot be paid at a category higher than the category of vehicle used on the service. To be considered, the increase in eligible student numbers must have been maintained for a period of two months, and the vehicle on the service must be at the higher category. Only eligible students approved by the department and recorded on department records are recognised for an increase.

To apply, Service Providers should complete an *Increase in Payment Category Application Form* (F012). These forms are available from local Translink Regional Offices.

This application will need to provide information on:

- the breakdown of eligible students (primary, secondary and so on) at the PML;
- the adult seating capacity of the bus;
- a layout of the seating in the bus
- and the date from which the increase in category is requested.

The Service Provider must also complete and submit with the application an Actual Travel Survey form for eligible students for a minimum of two (2) school weeks. The department may require surveys for longer periods.

To be eligible for an increase in category, the average number of eligible students travelling at the PML during the survey period must be equal to or greater than the number required for the higher category. For example, if 56 students are required for an increase in category, there must have been an average of 56 or more eligible student travelling during the survey period.

A larger than necessary vehicle may be operated on a service, however, payment will only be made at the category rate applicable for the size of vehicle required for the transport of eligible students on the route.

In instances where a Service Provider has a vehicle with a low carrying capacity for a particular category, such as a vehicle with a low GVM, it may be necessary for the Service Provider to purchase a new vehicle in the same category, but with a higher carrying capacity, in order to carry all eligible students.

In some circumstances, it may be necessary for a Service Provider to respond to an overloading situation by introducing a larger vehicle on a school service. In such a case, retrospective payment at the appropriate higher payment category may be made and approved from the date of introduction of the larger vehicle, providing that eligible student numbers are verified and have been maintained for the required period of two months.

7.1.4 Route distance calculation for payment

The route distance paid by the department is measured from the terminus to the school. The terminus is regarded as the point furthest from the school via the bus route, even though the actual route taken may not commence picking up at that point.

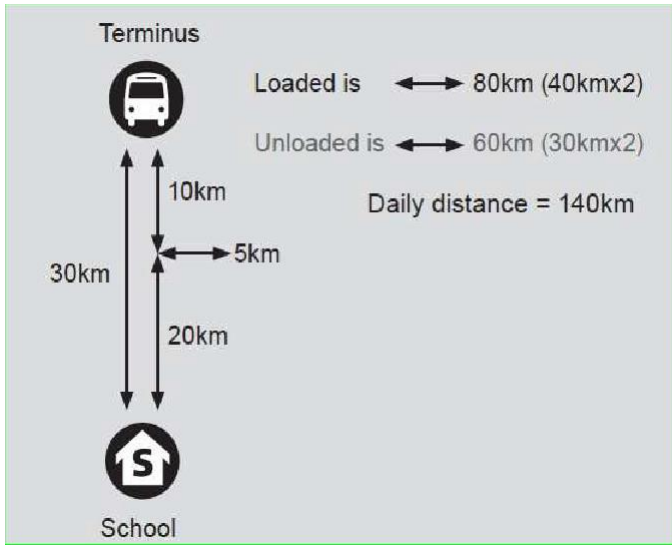
In some limited instances, such as routes which are circular (loop services), the route design does not lend itself to calculating the route distance in this manner. In these cases, the terminus will be at the beginning of the loop.

The daily route distance is calculated based on the loaded and unloaded distance. If the route is circular (a loop service), that is, starts at the school and ends at the school, no unloaded distance is payable.

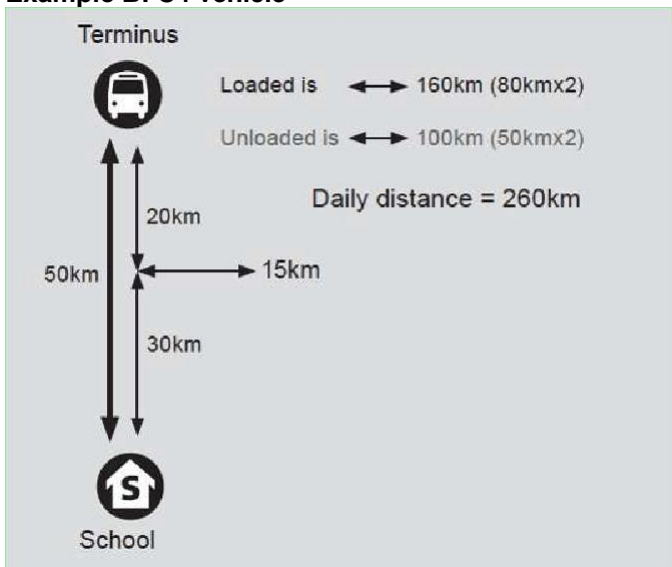
The following diagrams and steps use examples to explain how the route distance is calculated. In these examples, the following rates have been used to illustrate how the route distance payments are calculated. The current actual rates are available from the department.

C3	\$1.00 per kilometre
C4	\$1.10 per kilometre
C5	\$1.20 per kilometre
Maximum unloaded payment	\$100 per day

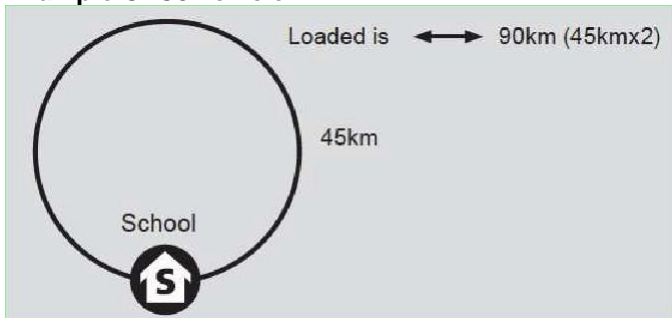
Example A: C3 vehicle



Example B: C4 vehicle



Example C: C5 vehicle



Step 1

Determine the loaded and unloaded distances as per the examples A, B and C above. Example C is a loop service so there is no unloaded distance.

- **Loaded distance**

The loaded distance is the trip from the terminus to the school (am) and the school to the terminus (pm) where students are transported on a bus.

- **Unloaded distance**

The unloaded distance is the shortest practicable route, without any students, from the school to the terminus (am) and from the terminus to the school (pm).

Step 2

For services paid under the kilometre-based payment model ('C' rates), where the cost of the total daily unloaded calculation is less than the maximum unloaded payment, the run will be paid for the distance travelled.

In example A, the unloaded calculation of \$60 (60 km @ \$1.00) is less than the maximum unloaded payment of \$100. Therefore, the unloaded payment is the appropriate amount.

Where the cost of the total daily unloaded payment is more than the maximum unloaded payment, the unloaded distance component of the route would be paid at the maximum of \$100. The variable rate will be paid for the loaded distance only.

In example B, the unloaded calculation of \$110 (100 km @ \$1.10) is greater than the maximum unloaded payment of \$100. Therefore, the maximum unloaded payment of \$100 is made for the unloaded section of the route.

In example C, the loop service would be paid on actual distance with no allowance for the unloaded component. The total distance calculation for example C will consist of 90 km x \$1.20 = \$108.

7.1.5 One vehicle on two services

The department may approve an arrangement where one bus is used to provide two kilometre-based school bus services. To ensure students' waiting and travelling times are not adversely affected, this type of arrangement is limited to services that link or are in close proximity.

Where a bus is used on more than one kilometre-based school bus service, only one service will receive the fixed rate payment. If one service has a higher assessed payment category than the other service, the higher of the fixed rate payment categories will be paid.

Both services will receive the variable rate payment with the higher applicable category for the variable rate paid for both services.

If the services do not link because they operate in different localities, payment for dead running distance travelled between the services may also be made to the Service Provider at the relevant variable payment rate. The dead running distance will be paid on the service that is paid the variable rate only.

No pick-ups are permitted in the dead running area between the services unless the Service Provider has the agreement of the local conveyance committee (if applicable) and the approval of the department.

If applicable, the maximum unloaded payment allowance, which limits the unloaded portion of the variable rate to a maximum amount, will be based on the total of the unloaded distances of each route plus any dead running distance.

No payment will be made for an additional vehicle used on these services without the prior approval of the department.

7.1.6 Split of a service

Where a bus service is split into two separate services, a category review will be conducted on both services. The service will be paid in accordance with the information contained in *Section 7.1.12 Kilometric Payment Category Review*.

7.1.7 Change of contractor

Where there is a change of contractor, a category review will be conducted effective from the date of transfer of the contract. Refer to *Section 7.1.12 Kilometric Payment Category Review*.

7.1.8 Payment adjustments

Generally, the amount payable to Service Providers does not vary from month to month. The department will automatically make the regular payments based on the approved rates for each bus service.

At times, there may be circumstances that require adjustment to be made which can vary the amount payable. It is essential that Service Providers advise the department, using the Kilometre Exception Report, of any factors that may require an adjustment to be made to the regular monthly payment. The payment adjustments will appear on the operator statement sent at the end of each pay period.

The following are examples of variations that can affect payment:

- flooding
- bridge closure
- no students in an area
- roadworks
- detours (temporary or permanent)
- deletion of a section of route
- no service provided
- vehicle breakdowns
- school closure (for example: school camps, industrial action, schools closed because of natural disaster)
- staff development days
- absence of students that reduce the daily distance of the service.

The Kilometre Exception Report is also to be used to advise the department of any student deletions and changes to the vehicle being used on the service.

7.1.9 Payment rate adjustments

The following guidelines apply for amendments to payments:

- full payment will be made for local show holidays and ministerial holidays for schools
- no payment will be made on state public holidays and weekends
- the fixed rate only will be paid to the end of the school year for the following services which cease operation early:
 - services that carry year 11/12 students only
 - services operating to western/remote schools that have the additional week's school vacation.
- services will be paid the fixed rate for staff professional development days. There will be no payment made for a staff professional development day that occurs within the gazetted summer vacation (December/January school holidays).
- the variable rate will only be paid for actual distance travelled where the service is required by eligible students attending a non-state school which elects to be open for the instruction of students. Any instances where a Service Provider is required to operate on a staff professional development day must be recorded on the Kilometre Exception Report so that payment can be made for the distance travelled on that day.
- services will be paid the fixed rate when a school is closed due to operating under flexible arrangements
- other payment rate adjustments may be made in accordance with PSSC conditions.

When payment adjustments occur due to vehicle changes, route variation or student travel, the following adjustment rules will apply:

- service did not operate:
 - fixed rate only will be paid

- service did not operate over full route*:
 - fixed rate plus variable rate for actual distance travelled only will be paid
- service travelled extra distance*
 - fixed rate plus variable rate for actual distance travelled will be paid.

* Capital-based services with a total daily distance of greater than 160km receive an additional variable payment rate. When the route variation affects the distance over 160km, the calculated manual adjustment will include both the daily variable rate and the additional payment rate.

7.1.10 Temporary route deletions

The department must be advised immediately when any section of the bus route is no longer required to be serviced. For example, a spur on the route is no longer needed due to students no longer using the service.

The Service Provider can apply to the department for consideration of a temporary deletion of part of a service for up to three months, provided the retention of the section can be justified.

If the deletion becomes permanent, a KM Contract Report and updated Contract Map will be posted to the Service Provider to reflect the distance change to the bus route and the daily payment rate.

7.1.11 Overpayments

All overpayments are recoverable by the department. In such instances, negotiations will occur with the Service Provider to determine the most appropriate course of action. This could include deductions from future payments or other approved arrangements.

7.1.12 Kilometric payment category review

What is a kilometric payment category review?

Kilometre-based school bus services are paid according to a schedule of payment rates. These rates are determined by the capacity of bus required to transport eligible students using the service at the PML. To ensure that the payment rates reflect the appropriate vehicle capacity for the number of eligible students transported, a mechanism exists to periodically reassess the requirements of each service. This is known as the kilometric payment category review.

The kilometric payment category review assesses the number of eligible students approved to travel on the service and determines the correct payment category required for this task, based on the operating requirements of the service.

When is a kilometric payment category review conducted?

A review of payment categories for kilometre-based services occurs at the following times:

- when there is a change of Service Provider
- when there is a change of vehicle
- when a service is split
- when a Service Provider applies for a payment category increase
- when a light vehicle reaches 16 years of age, then annually thereafter
- when a heavy vehicle reaches 20 years of age, then annually thereafter.

Vehicles exempt from a payment category reduction

In all circumstances, except for a change of vehicle, a service is exempt from a reduction in payment category if the permanent vehicle on the service is:

- a heavy bus that is greater than 5 tonne GVM that meets ADR59/00 (rollover) and is less than 20 years of age

N.B. NC3, NC4 and NC5 category vehicles are considered a heavy bus

- a light bus that is less than or equal to 5 tonne GVM that meets ADR59/00 (rollover)* and is less than 16 years of age

N.B. NC1 and NC2 category vehicles are considered a light bus, irrespective of GVM

The age of the vehicle will be based on official department registration records and is calculated as outlined in the relevant legislation. The Service Provider (not the department) is responsible for proving the age of the vehicle.

**C1/NC1 vehicles are not required to meet rollover*

Which students are counted in a kilometric payment category review?

All eligible students are included in the numbers that are counted for a review. Adults who travel as official supervisors for students with disability are also included. Safety-net students with evidence-based travel patterns are regarded as eligible students for individual kilometre-based school bus services. Safety-net students with irregular travel will not be counted in eligible student numbers.

Fare paying passengers are not included in the review.

Students under phase-out arrangements (other than those approved under the New Schools policy) cannot be included in the eligible student numbers for a category review or increase in payment category. A Service Provider cannot be approved for a payment increase on the basis of the incorrect assessment of these passengers.

How is the kilometric payment category review done?

The kilometric payment category review is broken into four parts:

1. PML
2. Determining the assessed category
3. Determining the vehicle category for each vehicle
4. Determining if your payment category is likely to change.

1. Point of maximum loading (PML)

The PML is the point on the service where the greatest number of seats are required to transport eligible students.

Eligible students are students who qualify for distance-based assistance, and may, in some circumstances, also include safety-net students. Determination of eligible student numbers is assessed on a case-by-case basis and considered at the discretion of the department

Students are counted on the basis of one-for-one seating, with the exception of vehicles fitted with ADR compliant three-for-two seat belted seats.

2. Determining the assessed category

After the number of students at the PML has been determined, the assessed category of the service can be ascertained. The department will consider the individual specifications of the vehicle during this process.

When determining the assessed category, the following factors must be considered:

- No standing passengers – for services that operate over designated roads or sections of road where the carriage of standing passengers is not permitted, or where passengers must not stand for more than 20km.
- Journey time of third child in a three-for-two seating position – this is not allowed for longer than 90 minutes
- Students with disability – these students are counted on a one-for-one seating basis, or may have special requirements for more than one seating position
- Supervisors for students with disability – supervisors are also counted when determining the PML.

3. Determining the vehicle category

After the PML and the assessed category for the eligible students on the service have been calculated, the category of the vehicle currently being used on the service must be determined.

Gross vehicle mass (GVM)

Some vehicles might have a different carrying capacity when assessed by using GVM rather than the seating capacity. For example, a bus may have an adult passenger seating capacity of 50 adult passengers but can only carry 38 passengers when assessed under GVM. In all cases, it is the Service Provider's responsibility to ensure that the GVM of the vehicle is not exceeded.

In instances where Service Providers have a vehicle with a low GVM for a particular category, it may be necessary for the Service Provider to purchase a new, higher GVM vehicle in the same category in order to carry all eligible students. Services will not be split to accommodate vehicles with a low GVM.

4. Determining if your payment category is likely to change

The next step is to compare the assessed vehicle category and the current category (the rate that the department is currently paying for the service) to assess whether the service is being paid correctly.

Permanent change of vehicle on service

Any vehicle introduced into a contracted STAS service must be less than 15 years of age at the date of change and meet ADR/59/00 (rollover)*

Vehicles that do not meet rollover*, or vehicles greater than 15 years of age, are not permitted to be introduced into service as a permanent vehicle on a STAS service under any circumstances, even if the vehicle is part of the Service Provider's fleet.

Whenever there is a change to the permanent vehicle on a service, the correct payment category will be assessed and applied to that service, regardless of the age of the vehicle entering the service. This means that if the service is being paid at a higher category than the category of bus required for the service, a payment category reduction will apply when there is a change to the vehicle on the service.

The following applies to the payment rate for the service:

1. Vehicle is new to Service Provider or was introduced into service after 1 July 2009

Service is placed on the capital-based (NC) kilometric payment model fixed and variable rates at the category assessed during the category review. Capital payments (SchoolBUS Funding) for purchase of the vehicle only apply if the vehicle was approved for purchase under SchoolBUS. If the vehicle has been purchased/funded by the Service Provider without SchoolBUS approval, the service will attract NC rates however there is no capital payment.

2. Vehicle is part of the Service Provider's existing school bus fleet and has been registered to the Service Provider continuously since 1 July 2009

If the service is currently on the kilometre-based (C) payment model, it remains on this payment model at the category assessed during the category review.

**C1/NC1 vehicles are not required to meet rollover.*

What happens when a light bus reaches 15 years of age or a heavy bus reaches 19 years of age?

Once a vehicle reaches 15 years of age for a light vehicle, and 19 years of age for a heavy vehicle, the Service Provider will be sent an invitation to apply for funding to replace the vehicle under SchoolBUS.

If the Service Provider does not take up the offer to apply for SchoolBUS funding to replace the vehicle, a payment category review will be conducted at the end of the financial year in which the vehicle turns 16 years of age for a light vehicle or 20 years for a heavy vehicle. If the category review identifies that a payment category reduction is required, this will be applied immediately. An annual category review will then be conducted each year until that vehicle is replaced. Any identified payment category reduction will be applied to the service immediately.

If the Service Provider applies for SchoolBUS funding to replace the vehicle, current payment rates will continue until the

new vehicle is put into service, at which time the assessed payment category will apply.

Upgraded school bus

An upgraded school bus is a bus that has been purchased under SchoolBUS. An upgraded school bus is given an allocated vehicle category when the department approves the Service Provider's application for funding. The allocated vehicle category is determined based on the size of bus required for the task of transporting the number of eligible students travelling on the service. The allocated vehicle category is the payment category to be paid to the Service Provider from the date the upgraded school bus commences on the service.

Changes that occur after the upgraded school bus has been introduced into service are subject to the same category reviews that apply generally to kilometre-based services. If a change of vehicle occurs during the economic life of the bus, the Service Provider must also have the approval of the department as specified under the conditions of the Service Provider's SchoolBUS Agreement.

Split of service

Where a bus service is split into separate services, the following will apply:

1. One service will retain the original route number and service contract as well as the current vehicle. This will be determined by the department. This service will be paid at the date of split as follows:
 - (i) The payment category that applied before the split of service if the bus is:
 - a heavy bus or NC3, NC4 or NC5 category bus less than 20 years of age; or
 - a light bus or NC1 or NC2 category bus less than 16 years of age.
 - (ii) The correct payment category applies if:
 - a heavy bus or NC3, NC4 or/NC5 category bus has reached 20 years; or
 - a light bus or NC1 or NC2 category bus has reached 16 years of age.
2. One service will be given a new route number by the department. A new service contract will be issued to the Service Provider for this new service. A new or less than five-year-old bus must be introduced into service on this new route within 12 months of the commencement of the new service. The following contract term applies based on the bus age:
 - (i) Bus is new or less than 5 years old:
 - The new service contract will be for a term of seven years
 - (ii) Bus is older than five years of age:
 - The new service contract will be for a term of one year and three months. If the Service Provider does not comply with this requirement, the department will invite offers from the public for the service contract that is required after this one year and three month service contract expires.

Change of contracted Service Provider

Where there is a change of contracted Service Provider and the current vehicle is retained, a category review will be conducted with the following to apply:

- **If the vehicle used on the service has not yet reached 16/20 years of age and is exempt from a reduction in payment category** – new Service Provider will be advised if the category review has recommended a payment rate reduction, however, this will not be applied as the current vehicle has not yet reached 16/20 years of age. When the vehicle reaches 16/20 years of age, a further category review will be conducted.
- **If the vehicle used on the service is 16/20 years of age or older and is not exempt from a reduction in payment category** – new Service Provider will be advised if the category review has determined a payment rate reduction is required. Due to the age of the vehicle, the assessed payment rate reduction will apply from the date on which the change of contracted Service Provider occurred, unless the new Service Provider submits a SchoolBUS funding application to replace the vehicle.

- **When the category review indicates that an increase in category may be considered** – an Increase in Payment Category Application Form is to be submitted by the new Service Provider. The application must satisfy all relevant conditions prior to an increase in payment category being approved.

Guide to assessment of payment category




The following table illustrates some of the possible category combinations that result from a category review assessment and the corresponding action taken by the department.

Scenario	Examples			Action	
	Vehicle Category	Current Category	Assessed Category	Code	Comment
Vehicle category, current category and assessed category are all the same	C3 NC5	C3 NC5	C3 NC5	—	No action
Current and assessed category are the same, but vehicle category is higher	C5 NC4	C4 NC3	C4 NC3	—	No action
Vehicle and current category are the same, but assessed category is higher	C4 NC2	C4 NC2	C5 NC3	—	No action (unless vehicle is changed)*
Vehicle and current category are the same, but assessed category is lower (Refer to <i>Vehicles exempt from a payment category reduction</i>)	C3 NC2	C3 NC2	C2 NC1	↓	Payment reduction - if vehicle is not exempt
Vehicle category is higher than current category and assessed category is lower than current category (Refer to <i>Vehicles exempt from a payment category reduction</i>)	C4 NC3	C3 NC2	C2 NC1	↓	Payment reduction - if vehicle is not exempt
Vehicle category is higher than current category and assessed category is higher than current category	C4 NC2	C3 NC1	C4 NC2	↑	Payment increase – Service Provider can appl for an increase in payment category
Current and assessed category are the same, but vehicle category is lower	C3 NC2	C4 NC3	C4 NC3	↓	Payment reduction
Vehicle and assessed category are the same, but current category is higher	C3 NC2	C4 NC3	C3 NC2	↓	Payment reduction
Vehicle category is lower than current category and assessed category is higher than current category	C2 NC3	C3 NC4	C4 NC5	↓	Payment reduction

Note: In the examples, the assessed categories have only increased/decreased by one category, however, it is possible they may alter by more than one category.

* An increase does not apply as the vehicle category must be the same or higher than the assessed category.

The table below explains the outcomes of the action codes in the review table.

Action	Outcome
<p style="text-align: center;">—</p> <p style="text-align: center;">No action required</p>	<p>The service is being paid at the correct category and no action is required.</p>
<p style="text-align: center;"></p> <p style="text-align: center;">Payment Reduction if vehicle is not exempt</p>	<ul style="list-style-type: none"> • If a reduction is identified when the service is assessed (for example due to a change of Service Provider, change of vehicle or split of service), the payment reduction is to apply from the date of change, provided the vehicle is not exempt from a reduction. • In all situations, except for a change of vehicle, a service is exempt from a payment reduction if the permanent vehicle is - <ul style="list-style-type: none"> ○ a light bus less than 16 years of age ○ a heavy bus less than 20 years of age • A payment category review will be conducted at the end of the financial year in which the vehicle turns 16 (light bus) or 20 (heavy bus). If a payment reduction is required, this will be applied immediately, unless an application for SchoolBUS funding has been submitted to replace the vehicle. • An annual category review will then be conducted each year until that vehicle is replaced. Any identified payment category reduction will be applied to the service immediately.
<p style="text-align: center;"></p> <p style="text-align: center;">Payment Reduction</p>	<ul style="list-style-type: none"> • The vehicle category must be the same or higher than the assessed category. A service cannot be paid at a category higher than the category of vehicle used on the service – irrespective of eligible student numbers. • If it is identified that a vehicle category is less than the current category being paid, a payment reduction effective immediately is to be applied. This reduction would apply to vehicles of all ages. • In these situations, the service is being overpaid and the department is entitled to recover any overpayment.
<p style="text-align: center;"></p> <p style="text-align: center;">Payment Increase</p>	<ul style="list-style-type: none"> • The service may be eligible for an increase in payment category. • An application form should be completed and submitted by the Service Provider.

Increase in eligible student numbers after a kilometric payment category review

If student numbers have increased on a service after a kilometric payment category review has been conducted, and the service qualifies for a payment category increase, provided the vehicle capacity is also at this or a higher category, the Service Provider can apply for an increase in payment category.

The department will consider all relevant data in assessing an application for a category increase, including factors such as reason and frequency of fluctuations in student numbers, as well as possible future variations in passenger numbers.

Guide to category assessments based on vehicle age

Circumstances	Heavy bus or NC3, NC4 or NC5 category bus less than 20 years of age Light bus or NC1 and NC2 category bus less than 16 years of age	Once a heavy bus or NC3, NC4 or NC5 category bus reaches 20 years of age Once a light bus or NC1 and NC2 category bus reaches 16 years of age
Current vehicle remains on service and student numbers increase to a higher category and are maintained for a minimum period of two months	If the vehicle category is the same category or higher than the new assessed category the payment category may be increased to the new assessed category.	If the vehicle category is the same category or higher than the new assessed category the payment category may be increased to the new assessed category.
Change of vehicle on service (A vehicle must be registered to the Service Provider continuously from 1 July 2009 to be considered part of their school bus fleet. If a vehicle is not considered part of the Service Provider's fleet payments will be based on the capital-based payment rates.)	The service will be paid at the correct category regardless of the age of the replacement vehicle, effective from the date of change of the vehicle.	The service will be paid at the correct category regardless of the age of the replacement vehicle, effective from the date of change of the vehicle.
Change of Service Provider	No reduction in payment category.	From the date of change of the Service Provider the service will be paid at the correct category, unless a SchoolBUS application has been submitted to replace the vehicle.
Split of service	For the current vehicle that is retained with the original route number and service contract (as determined by the department) the payment category that applied before the split of service will be paid.	For the current vehicle that is retained with the original route number and service contract (as determined by the department) the correct payment category will apply, unless a SchoolBUS application has been submitted to replace the vehicle.
	For the vehicle introduced into service as a result of the service being split, the correct capital-based kilometric fixed and variable category will apply.	For the vehicle introduced into service as a result of the service being split, the correct capital-based kilometric fixed and variable category will apply.

7.2 Conditions of operation

7.2.1 Institution of a new service

An individual kilometre-based school route may be started in an area where there is a demonstrated need and there is no other transport service. To institute a new service, an application must be submitted to the local Translink Regional Office. The application must meet STAS criteria before approval can be granted for the service to commence.

An application for a new service will be assessed against the following:

- the number of students/families to benefit from the institution of the service, including future viability based on predicted school enrolment numbers. The number of eligible students to be transported to the nearest state school must be large enough to ensure that a daily average of nine would be maintained
- the number of eligible students who reside more than 6.4km from the nearest state school – generally 50% of students must live over this distance
- the suitability of roads and turnarounds – written advice from the relevant road authority that the route is suitable for a bus is required
- the estimated cost of providing the service. The overall daily cost of the total service must not exceed the approved maximum cost as determined by the department
 - As part of the investigation process, the department may request that the cost of any new service be offset against savings in payment of conveyance allowance to benefiting families or by rationalisation of other services in the area.
- the service delivery for eligible students, including length of the route, timetable and overall travelling times
- the impact on existing services in the area and ongoing viability
- any future development of, and planning for, population growth, new schools and road network changes
- the overall public passenger transport requirements. This includes passenger transport demand from the ineligible student and non-student sections of the community in the area
 - In areas of higher population densities, the impact of urban service contracts will require an assessment as to the suitability of a kilometre-based service in the longer term. The department will generally not approve new kilometre-based school bus services:
 - within the south-east Queensland school transport zone
 - within or abutting an existing urban service contract area outside the south-east Queensland school transport zone.
- any other transport options that exist in the area.

Once it has been determined that a new kilometre-based school bus service is to be instituted, the department will begin the process for the selection of a Service Provider in accordance with legislative and procurement provisions or transition arrangements from another service contract type.

7.2.2 Base school

The department will nominate a base school for each kilometre-based school bus service. This is generally the state primary school or state secondary school that most of the students will attend. It is used for administrative purposes only.

7.2.3 Bus route

The route over which the kilometre-based school bus service operates must be approved by the department.

A service will not be instituted until written advice is obtained from the relevant road authority that the roads travelled on are suitable for a bus route. This requirement also applies for any alterations or extensions to a service. Such advice

should confirm the suitability of the proposed route for daily use in the transport of school students, under normal weather conditions. The department will liaise with the Service Provider and relevant road authority to obtain this advice.

Regular alternative routes such as wet weather routes should be applied for and approved prior to use.

If a temporary route variation is necessary to ensure passenger safety, payment for this variation may be considered only if it is entered on the Kilometre Exception Report forwarded to the department at the end of every pay period and certified by the contracted school bus Service Provider.

The Service Provider should immediately report to the relevant road authority and the local Translink Regional Office if road conditions deteriorate to a level which could affect its suitability as a school route. Remedial action should be requested as soon as possible.

7.2.4 Extensions to a service

Service Providers are required to submit all requests to extend a service in writing to the department. The following will be considered when assessing an application for an extension:

- There must be two or more eligible students who live more than 1.6 kilometres from the existing service (students previously included in an extension approval for this same section of the service cannot be considered). For each additional eligible student, the route may be extended a further 0.8km.

Note: If two or more of these eligible students reside more than 1.6km from the existing service and live more than 16km from the nearest state school, the proposed extension is not subject to the above stated distance limitation, however, the service must not exceed the approved maximum cost.

- Extensions of less than 1.6km are only considered in exceptional circumstances at the discretion of the department.
- The new overall daily cost of the service must not exceed the approved maximum cost as determined by the department.
- Any extra travel time involved.
- The permanent status of students.
- The availability of any other services.
- The proximity to other schools.
- The suitability of the road/s and turnarounds.
- Any No Standing Passenger Roads implications that may apply.
- Additional overall costs involved.

Extensions are not generally approved within the designated area or within 3.2km of any other service that transports students of the same year levels.

Extensions to other than the nearest state school

In some areas, kilometre-based services travel beyond the nearest state school to other schools in the same town/city.

In very limited instances, and dependent on the existing network, the department pays for the kilometre-based service to travel beyond the nearest state school to either a non-state or state school offering the same year level. This may be the case in limited circumstances where services have been transitioned from the fares-based model to the kilometre-based model, to ensure existing students have continuity of service. This will be determined on a case-by-case basis.

Extensions to existing kilometre-based services to travel to other than the nearest state school may be considered by the department only as an alteration to the route for fare-paying passengers. No kilometre-based government funding will apply for these alterations.

Extensions for fare paying passengers

A Service Provider may wish to provide an extension to the contracted route for fare-paying passengers at the beginning of the service (that is, past the terminus) or at the end of the service (that is, past the last school on the official route funded by the department).

The department becomes involved in the above circumstances only if there is potential impact on the contracted service, for example, operating times or loadings. Any impacts will be considered on a case-by-case basis to assess whether they adversely affect the main service.

Departmental approval is, however, required for any extension along the STAS funded contracted route, whether the extension is government funded or a fare-paying extension. Extensions to cater exclusively for cash fare-paying passengers will not be funded by STAS. Where fare-paying extensions of less than 1.6km are approved, contract eligible students must not be charged a fare on this extension.

Before approval is given for an extension to a service, it is important that the impact on the operating times for other students on the service is considered.

The Service Provider should ensure that the following conditions are met before an extension to cater for fare-paying passengers is submitted:

- Documentation of consultation with all stakeholders, including the Principals of schools affected, is obtained.
- The road is suitable for use as a bus route.

7.2.5 Deletion of part of service

The department must be advised immediately when any section of the route is no longer required to be serviced.

When the deletion of part of a service occurs, the department will provide written notification to the Service Provider of the adjusted route including the new daily distance and daily payment details. Until this official notification is received, Service Providers are required to declare the deleted distance on the Kilometre Exception Report forwarded to the department at the end of each pay period.

Consideration may be given to granting a temporary deletion of no more than three months, provided the retention of the section can be justified.

There may be circumstances where eligible students have left an area of the route, for example, a side spur, and only ineligible students remain to travel on the service for that part of the route. In these cases, the department will only continue to pay for that part of the route until the end of the school semester.

This decision will only be reversed if eligible students return to that part of the service on or before the first school day of the new semester.

7.2.6 Service arrangements resulting from significant passenger variations

The number of passengers carried on a service may change significantly over time. Where student numbers increase, changes to operational arrangements may be required. Where numbers decrease significantly, the viability of the service may need to be reviewed. In all cases where student numbers have changed significantly, any future arrangements will be determined by the department.

Increase in numbers of students

If the number of eligible students on a service increases substantially, the department will determine the most suitable and cost effective option available.

In general, substantial increases in student numbers may be addressed by:

- a re-run, where the increase is of a temporary nature
- the department requiring the Service Provider to purchase a larger category vehicle, including a higher carrying capacity vehicle in the same category, in order to carry all eligible students.

The department may also conduct a review to determine the most suitable arrangements for the overall provision of services in the area. Where this occurs, the following factors will be considered:

- Overall public passenger transport requirements. This includes passenger transport demand from all student and non-student sections of the community in the area.
- Future development of and planning for population growth, new schools and road network changes.
- Transfer of eligible students to other services including fares-based school bus services or urban contract services to balance or optimise loadings in a given area.

Where the department determines that the most suitable transport option is to split a service into two kilometre-based school services, the resulting services:

- will be split in a manner which provides the most cost effective result for the government
- must not exceed the approved maximum cost as published by the department from time to time

The new service will be paid at its correct category from the effective date of the split.

Decrease in the number of students

If the number of eligible students on any service decreases substantially, the department will investigate the future viability of the service.

Any such investigation will include consultation with all parties involved. The department will consider closing a service:

- if the number of eligible students using the service falls below six
- when it is determined that costs for the service have become excessive with declining numbers.

Closure of a service will be assessed by the department on a case-by-case basis taking into account local circumstances.

7.2.7 Feeder services

A feeder service is a service that collects eligible students from an area and meets at an interchange point with another service. A Service Provider of a feeder service must ensure timely coordination with connecting services.

7.2.8 Re-runs

The department may approve daily re-runs to address an overload situation for eligible students. In general, re-runs are instituted as a short term measure:

- for overloading of a temporary nature, for example, seasonal fluctuations and instances where overloading does not occur on a daily basis
- while investigating other alternatives to address a permanent overloading situation.

Unless approved by the department, re-runs are not instituted as a permanent arrangement if all eligible students are able to be carried in a larger category vehicle, including a higher carrying capacity vehicle in the same category.

The payment for the distance of the re-run must be claimed on the Kilometre Exception Report submitted to the department at the end of each pay period for the relevant days that the re-run was required.

7.2.9 Conveying passengers on kilometre-based school services

The purpose of kilometre-based services is the transport of eligible students and the needs of these students must be the priority. The carriage of fare-paying passengers should in no way interfere with this focus. However, where there is spare capacity on a service, Service Providers may convey fare-paying passengers. These arrangements to carry fare-paying passengers may be withdrawn or amended by the department.

7.2.10 Charging of fares

Fares can be charged on all kilometre-based services, except those where an exemption from conveying fare-paying passengers has been approved.

Fares may be charged only for the following passengers travelling on kilometre-based school bus services:

- students not eligible to use the service.
- adults (however, fares cannot be charged for persons described in *Section 2.13 Other passenger types*).
- students travelling further than the distance funded by the government. This means Service Providers may charge an eligible student a fare for that part of the journey not funded by government.

It is the Service Provider's responsibility to transport students to and from school. In cases where a student wishes to alight at a stop other than their normal stop, either on the way to or from school, this may be allowed only at the Service Provider's discretion.

Fares charged must be in accordance with the conditions outlined under *Section 2.15 Fares*.

7.2.11 Priority for travel

On kilometre-based school bus services, priority of access is granted to:

- students eligible for distance-based assistance and special eligible students
- students who qualify under safety-net criteria
- fare paying students.

Access to services by other members of the community should only be considered after the needs of all students have been met.

7.2.12 Conditions for safety-net students

Safety-net students will be carried free of charge on kilometre-based school bus services to the state school nearest to the student's residence. Where there is no kilometre-based service to the nearest state school, assistance is not available on kilometre-based services to other schools.

Non-state school students are also eligible for safety-net bus travel. Assistance is limited to travel to the nearest state school, provided they are not bypassing a closer non-state school of type. In some situations, extensions to a non-state school may be government funded due to historical factors. In these cases, students travelling on the STAS contracted route to a non-state school should not be charged a fare.

Eligibility on one service is not able to be transferred to another service.

8. Cluster kilometric school bus services

In line with the department's commitment to transition to route-based contracting arrangements, a new type of PSSC, the cluster kilometric contract, was introduced in 2023. The cluster kilometric contract is a type of kilometre-based contract. Its primary intent is to consolidate multiple routes, previously operated under both fares-based and individual kilometre-based contracts, into one route-based contract. Cluster kilometric contracts are suitable for more densely populated areas with networks of STAS services.

Service Providers with five or more vehicles delivering an integrated network of school services will be considered for a cluster kilometric contract. The cluster kilometric contract will only be established following a School Bus Service Network Review process (see *Section 2.17: Review of Service*). The department will contact individual Service Providers regarding eligibility for a cluster kilometric contract.

8.1 Payment conditions

Payment for cluster kilometric services is similar to individual kilometre-based services with a fixed daily and variable rate per kilometre for each route. The following sections of this manual apply to cluster kilometric services:

- *7.1.1 Basis of payment*
- *7.1.2 Payment rate structure and*
- *7.1.3 Payment categories.*

The following exceptions do, however, apply:

- **Single contract payment** - payment rates for each route are determined based on the vehicle category and route distance, however, payment occurs as a single consolidated amount for each cluster contract.
- **Fixed rate** – while the variable rate for individual kilometre-based and cluster kilometric services are the same, the fixed rate for cluster kilometric services is slightly higher to account for the cost of maintaining a depot.
- **Route distance** - route distances for cluster kilometric services are measured differently (see *Section 8.1.1: Route distance calculation for payment*). Maximum unloaded payment and excess kilometre payment also do not apply.
- **Vehicle category review** - review of vehicle payment category is managed through the State Led Planned Service Change process (see *Section 8.2 Conditions of operation*).
- **Payment adjustments** – payment adjustments for significant variations to the kilometres travelled will be managed via the Service Provider's responses to the Cluster Summary Report. It is not intended to make adjustments for minor variations, unlike the Kilometre Exception Report process for individual kilometre-based services.

8.1.1 Route distance calculation for payment

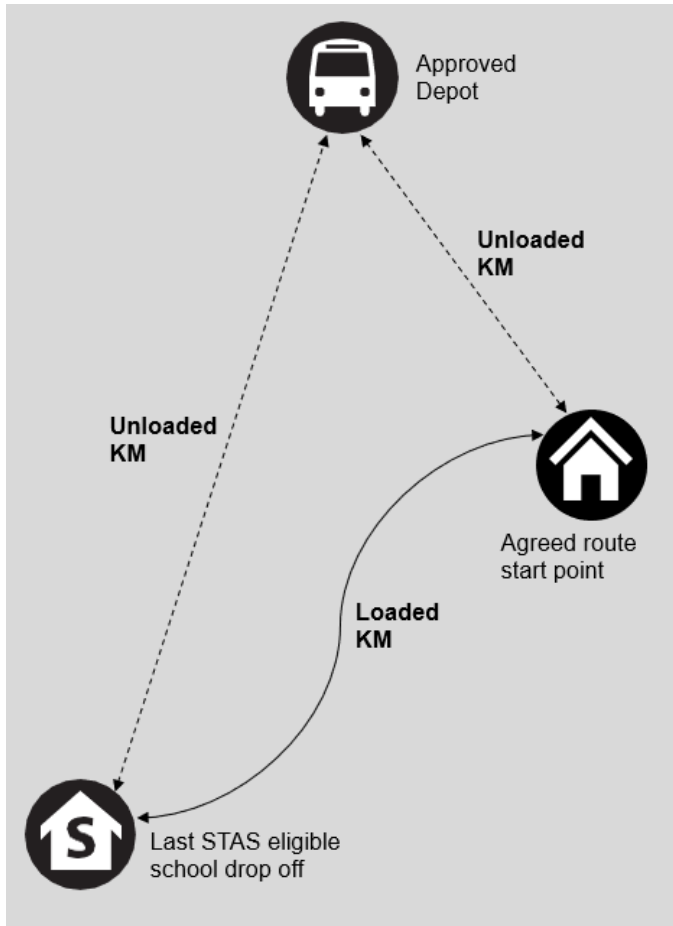
Loaded and unloaded kilometres are measured differently for cluster kilometric services than for individual kilometre-based services when determining the relevant route distance for payment.

For cluster kilometric services, the loaded distance is the actual kilometres travelled along the route alignment from the agreed start point to the last STAS eligible school in the morning, and the reverse trip in the afternoon. This does not include any detours from or extensions to the STAS funded route (agreed with the department) to pick up or drop off fare-paying passengers.

Service Providers may extend the route prior to the first eligible student pick up point or beyond the last STAS eligible school and may in some circumstances (in consultation with the department) detour from the STAS funded route to service fare-paying passengers, however, these distances will not be included in the route distance for calculation of payment for the cluster kilometric services. Such extensions or detours should be reasonable and not result in eligible students waiting for extended periods at schools or experiencing unreasonably long journeys. The priority at all times should be the transport of eligible students.

Unloaded kilometres for cluster kilometric services are calculated based on the shortest practicable route from the Approved Depot location to the agreed start point of the route and from the last STAS eligible school on the route to the Approved Depot location in the morning, and the reverse in the afternoon. If a Service Provider changes their depot location, they must inform the department. It is at the discretion of the department whether the new depot then becomes the Approved Depot for the purposes of route distance calculation.

Example: route distance measurement



8.1.2 Service changes

Payment for cluster kilometric services may be adjusted as a result of changes to the routes within the cluster, vehicles delivering the cluster kilometric services or Approved Depot location (see *Section 8.2.1: Service Provider Led Planned Service Changes* and *Section 8.2.2: State Led Planned Service Changes*). Payment may also be adjusted if the Service Provider notes on the Cluster Summary Report Response that there has been a significant variation in kilometres travelled (for example, due to a road closure lasting several days or weeks).

8.1.3 Payment rate adjustments

The following guidelines apply for amendments to payments:

- full payment will be made for local show holidays and ministerial holidays for schools
- no payment is made on state public holidays and weekends
- services are paid the fixed rate for staff professional development days. There is no payment made for a staff professional development day that occurs within the gazetted summer vacation (December/January school holidays)
- other payment rate adjustments may be made in accordance with PSSC conditions.

8.1.4 Cluster Summary Report

At the end of each pay period, the department will issue the Service Provider with a Cluster Summary Report. This report includes details of:

- daily route distance, vehicle payment category and payment rates for each route in the cluster
- Approved Depot location, Contract Fixed Daily Amount, Contract Variable Daily Amount and total daily payment for the cluster kilometric services
- vehicles delivering the cluster kilometric services, including spare vehicles

The Service Provider must review and verify the information in the Cluster Summary Report, identify any inaccuracies, if necessary, provide any details of significant variations in kilometres travelled, and sign and return the report response to the department within the advised timeframe.

Any changes to the route alignment and/or distance and depot location should be advised to and approved by the department through the Service Provider Led Planned Service Change process prior to implementation (see *Section 8.2.1: Service Provider Led Planned Service Changes*).

Changes noted by the Service Provider on the Cluster Summary Report Response may be the trigger for a State Led Planned Service Change (see *Section 8.2.2: State Led Planned Service Changes*).

8.2 Conditions of operation

8.2.1 Service Provider Led Planned Service Change

A Service Provider can request a change to cluster kilometric services, including a change:

- to Approved Route (extension, alteration, deletion or split of service);
- to Approved Depot;
- of Contract Vehicle; and
- of Approved Spare Vehicle.

by application to the department submitting form F019. This is known as a Service Provider Led Planned Service Change.

The department will consider the requested service change in consultation with the Service Provider, and response timeframes will depend upon the complexity of the requested service change. If approved, the department will agree upon implementation timeframes with the Service Provider. Service changes may result in an adjustment to the Service Provider's payment for the cluster kilometric services.

8.2.2 State Led Planned Service Change

As a result of changes notified by the Service Provider on a Cluster Summary Report Response, a verification report, a category increase request made by the Service Provider, or as part of its regular review processes, the department may identify a need for a service change or a network review of the cluster kilometric services. This is known as a State Led Planned Service Change.

As part of this process, the department will consult with the Service Provider and agree on the service change or changes to be made and timeframes for implementation. Service changes may result in an adjustment to the Service Provider's payment for the cluster kilometric services.

If a Contract Vehicle in the cluster has reached 16 years of age for a light vehicle, or 20 years for a heavy vehicle, the department will conduct a payment category review for that Contract Vehicle as part of a State Led Planned Service Change.

8.2.3 Conveying passengers on cluster kilometric school services

The purpose of cluster kilometric services is the transport of contract eligible students, and the needs of these students must be the priority. The carriage of fare-paying passengers should in no way interfere with this focus. However, where there is spare capacity on a service, Service Providers may convey fare-paying passengers. STAS students must not be displaced by non eligible / fare paying students.

8.2.4 Charging of fares

Fares may be charged only for the following passengers travelling on cluster kilometric school bus services:

- students not eligible to use the service.
- adults (however, fares cannot be charged for persons described in *Section 2.13 Other passenger types*).
- students travelling further than the distance funded by the government. This means Service Providers may charge an eligible student a fare for that part of the journey not funded by government.

It is the Service Provider's responsibility to transport students to and from school. In cases where a student wishes to alight at a stop other than their normal stop, either on the way to or from school, this may be allowed only at the Service Provider's discretion.

Fares charged must be in accordance with the conditions outlined under *Section 2.15 Fares*.

8.2.5 Priority for travel

On cluster school bus services, priority of access is granted to:

- students eligible for distance-based assistance and special eligible students
- students who qualify under safety-net criteria
- fare paying students.

Access to services by other members of the community should only be considered after the needs of all students have been met.

8.2.6 Conditions for safety-net students

Safety-net students with evidence-based travel patterns are regarded as eligible students for cluster kilometric services. Safety-net students with irregular travel will not be counted in eligible student numbers.

Safety-net students will be carried free of charge on cluster kilometric services to the state school nearest to the student's residence. Where there is no cluster kilometric service to the nearest state school, assistance is not available on cluster kilometric services to other schools.

Non-state school students are also eligible for safety-net bus travel. Assistance is limited to travel to the nearest state school, provided they are not bypassing a closer non-state school of type. In some situations, extensions to a non-state school may be government funded due to historical factors. In these cases, students travelling on the STAS contracted route to a non-state school should not be charged a fare.

Eligibility on one service is not able to be transferred to another service.

9. Capital-based school bus services

Capital-based school bus services are those school bus services that operate with a vehicle which has been introduced into service on or after 1 July 2009, when the capital-based kilometric payment model was implemented. This payment model was introduced as part of the Queensland School Bus Strategy, the aim of which is to introduce a newer, safer school bus fleet in Queensland.

9.1 Capital-based kilometric school bus services

Vehicles operating on individual kilometre-based services and cluster kilometric services introduced into service on or after 1 July 2009 are paid under the capital-based kilometric payment model.* This includes Service Provider funded vehicles that do not attract capital funding.

These services are kilometre-based services and are operated in accordance with *Section 7: Individual kilometre-based school bus services* or *Section 8: Cluster kilometric school bus services*, as applicable. The information below outlines the funding conditions for capital-based kilometric school bus services, including the capital funding available for vehicles approved under SchoolBUS. Further information is available in School Transport Information Statement 16A.

*There may be limited circumstances in which vehicles introduced into service on or after 1 July 2009 are temporarily paid under the kilometre-based payment model, as outlined in *Section 7.1.3: Payment categories*.

9.1.1 Basis of payment

Funding for buses that operate under the capital-based kilometric service system is paid on the following basis.

Capital funding

Vehicle Purchase Allowance (NC1)

The Vehicle Purchase Allowance assists providers of kilometre-based services with an assessed category of NC1 with the purchase of a bus. The allowance is paid on each day that a service receives a fixed payment. Vehicle Purchase Allowance is paid for up to five years and ceases if the service is closed (with no repayment provision).

To receive the allowance, the following conditions must be met:

1. The Service Provider must have purchased a qualifying bus for use on the service after 1 January 2014. A qualifying bus is a motor vehicle with seating capacity for nine or more passengers (excluding the driver) that is less than 10 years of age at date of commencement on the service. The age of the vehicle is determined as outlined in relevant legislation.
2. The vehicle must be registered to, and owned by, the Service Provider.
3. The vehicle must not be fitted with lap-only seatbelts.

If, within the five year period, the bus is replaced with a qualifying bus which is less than five years of age, the five year period will restart from the commencement date of the replacement. However, if the bus is replaced with a qualifying bus which is five years of age or more, the allowance period will not restart but will continue from the original commencement date. If the bus is replaced with a non-qualifying bus (over 10 years old) the allowance will end on the date the original bus ceased on the service.

If a new Service Provider acquires the service, the allowance will continue, provided the bus continues on the service. If the new Service Provider purchases a bus for the service, the replacement policy as indicated above will apply.

If a Service Provider purchases a vehicle larger than an NC1 category, and eligible student numbers increase the payment category to a higher category, the Vehicle Purchase Allowance will continue. Retrospective SchoolBUS capital funding cannot be approved.

Note: The introduction of the Vehicle Purchase Allowance does not affect NC1 buses that were capital funded by the department prior to 1 January 2014. Any outstanding payments on those buses will continue in accordance with their SchoolBUS funding agreement.

Capital component - NC2 – NC5

For vehicles approved for funding under SchoolBUS, the Service Provider purchases a bus to a value approved by the department. The capital funding is determined by the cost of the bus and an applicable funding cap. The capital-based kilometric model has payment categories (NC2 – NC5) based on the bus type, body length and minimum passenger seats.

The approved capital amount is paid to the Service Provider in a lump sum in each of the first two financial years, followed by an annuity over the ensuing five or eight financial years, depending on the size of the bus.

For NC2 buses, the lump sum rate is 20 per cent of the approved cost of the bus and the annuity period is five years. For NC3, NC4 and NC5 buses, the lump sum rate is 25 per cent and the annuity period is eight years.

Example (NC3 - NC5 vehicle)

Oct-2022	First 25% lump sum payment
Oct-2023	Second 25% lump sum payment
July-2024	First annuity payment (including interest). Payment for interest accrued prior to annuity payments
July 2024	Remaining annuity payments continue

Operational Costs

In addition to the capital payments for vehicles approved under SchoolBUS, the service will be paid a fixed rate and a variable rate for the applicable payment category. Details are outlined in *Section 7.1 Payment Conditions* and *Section 8.1 Payment Conditions*. A bus introduced into service that has not been approved for capital payments, or that is five years or older, will only be paid the fixed rate and variable rate for the applicable payment category.

Allocated vehicle categories

The replacement school bus (known as the upgraded school bus) will be given an approved allocated vehicle category by the department. This payment category will be maintained until the bus reaches 16 years of age if it is an NC1 or NC2 bus, or 20 years of age if it is a NC3, NC4 or NC5 bus, even if student numbers decrease during this time. A kilometric payment category review will be conducted when the vehicle reaches 16 or 20 years of age, and the correct payment category will apply immediately, unless a SchoolBUS funding application has been submitted to replace the vehicle. For cluster kilometric services, if a Contract Vehicle reaches 16 or 20 years of age, a broader network review may be conducted as part of a State Led Planned Service Change process alongside the payment category review.

The STAS category size payment may be increased above the allocated vehicle category during this period if the student numbers increase to a level that qualifies for a higher category payment and the bus has capacity equivalent to the higher category. The higher payment category for the fixed and variable payments will then be paid for the remainder of the 16/20 year period.

9.1.2 Service Provider obligations

Operating the upgraded school bus

The upgraded school bus must be introduced into service as soon as practical after delivery. The replacement school bus must be used to deliver the school service on the nominated route or routes for its economic life. More information can be found in School Transport Information Statement 16A.

Failure to meet requirements constitutes a breach of the Service Provider's funding agreement and key performance indicators under the service contract. Such breaches may lead to the cancellation of the Service Provider's service contract.

Sale or transfer of contract

Unless otherwise approved by the department:

- the sale of a service contract or route within a cluster kilometric network must include the sale of the upgraded school bus to the new contractor
- the new contractor must agree to use the upgraded school bus on the approved route for the balance of its economic life.

Repayment of funding

If the Service Provider does not use, or ceases using, the upgraded school bus on the service or services approved for the operation of this bus, the Service Provider shall repay the department, within 10 working days after such an event, any capital funding to date.

1. Within the first 2 financial years	100% of lump sum payments made
2. Within financial years 3 to 7 (NC2 vehicles) or financial years 3 to 10 (NC3 and NC4 or NC5 vehicles)	100% of lump sum payments made plus 50% of annuity payments made
3. After the completion of periods 1 and 2 above and before the end of the economic life of the bus	100% of lump sum payments made

Note: these periods are calculated from the first date of registration of the bus in the Service Provider's name.

In the event of unforeseen circumstances relating to the Service Provider's obligations to use the bus, the department and the Service Provider will negotiate any requirement for repayment of funding on a case-by-case basis.

Institution of a new service

In the event that a new capital-based kilometric service is started, the Service Provider of the new service must provide a new vehicle or a used vehicle less than five years of age, of the appropriate capacity.

Split of service

If a service is split because of excessive student numbers, timetabling, or other issues, the new service must have a bus less than five years of age introduced into service not more than 12 months after the new service is instituted, unless otherwise approved by the department.

Closure of services

In the event that a capital-based kilometric school bus service is closed due to insufficient eligible students to maintain the service, opening or closure of schools, or for other reasons, the department and the Service Provider will negotiate any requirement for repayment of funding on a case-by-case basis.

9.2 Fares-based school bus services bus replacement funding

Fares-based services are operated in accordance with *Section 6: Fares-based school bus services*. The information below outlines the conditions of capital funding available for these services. Further information is available in School Transport Information Statement 16B.

9.2.1 Basis of payment

Capital funding for buses that operate under fares-based contracts is paid on the following basis:

- The capital funding is determined by the cost of the bus and an applicable funding cap. In general, funding for

fares-based services is provided on the basis that large capacity buses are required. If vehicles of a smaller capacity are required, funding will be negotiated with the Service Provider on a case-by-case basis.

- The Service Provider purchases a bus to a value approved by the department. The approved capital amount of up to 50 per cent of the cost of the bus is then paid to the Service Provider in a lump sum amount of 20 per cent of the approved amount in each of the first two financial years for small capacity vehicles and 25 per cent for mid and large capacity vehicles.

9.2.2 Use of buses

Buses that receive capital funding are required to be operated on the approved service for the economic life of the vehicle. For small capacity buses, the economic life is 12 years and for mid and large capacity buses the economic life is 15 years.

9.2.3 Service Provider obligations

Replacement buses

Only buses which comply with ADR 59/00 (rollover)* and are less than 15 years of age can be introduced into service. Please note that only buses up to five years of age are eligible for replacement funding.

**C1/NC1 vehicles are not required to meet rollover.*

Operating the upgraded school bus

An upgraded school bus must be introduced into service as soon as practical after delivery and be used to deliver the school service on the nominated route for its economic life.

This means the upgraded school bus must always be used to provide the school service and can only be used for other purposes during times that are outside of the school service timetable.

The Service Provider shall not sell the upgraded school bus or transfer the upgraded school bus to another service during its economic life, without the prior approval of the department.

A failure to meet these requirements will disqualify the Service Provider from further capital funding and constitutes a breach of the Service Provider's funding agreement and key performance indicators under the service contract. Such breaches may lead to the cancellation of the Service Provider's service contract.

Sale or transfer of contract

Unless otherwise approved by the department:

- the sale of a service contract must include the sale of the upgraded school bus to the new contractor
- the new contractor must agree to use the upgraded school bus on the route approved for the operation of the upgraded school bus for the balance of its economic life.

Repayment of funding

If the Service Provider does not use, or ceases using, the upgraded school bus on the service approved for the operation of this bus, the Service Provider shall repay the department within 10 working days after such an event, any capital funding to date.

In the event of unforeseen circumstances relating to the Service Provider's obligations to use the bus, the department and the Service Provider will negotiate any requirement for repayment of funding on a case-by-case basis.

Closure of services

In the event that a fares-based school bus service is closed due to insufficient eligible students to maintain the service;

opening or closure of schools; or for other reasons, the department and the Service Provider will negotiate any requirement for repayment of funding on a case-by-case basis.

10. Information Statements and Forms

The following School Transport Information Statements and forms are available for Service Providers from your local Translink Regional Office of the Department of Transport and Main Roads. The information contained in information statements forms part of the policy of STAS.

Information statement	Title
No. 5	Safety-net arrangements for fares-based school bus operators
No. 6	Payment rates update – kilometre-based school bus services and capital-based kilometric school bus services
No. 9	STAS fare schedule update – fares-based school bus services
No. 10	School transport maximum cash fare schedule
No. 12	Safety net arrangements for kilometre-based school bus operators
No. 13	Kilometric payment category review – information for operators
No. 15A	Standard payment rates – (students with disability) Contract bus services and capital-based school bus services
No. 15B	Kilometre aligned payment rates (students with disability) - contract bus services
No. 15D	Student with disability per vehicle contract bus payment model
No. 16A	Capital-based kilometric school bus services
No. 16B	Fares-based school bus services bus replacement funding
No. 17	School bus service optimisation
No. 18	Safety-net arrangements for Translink (private bus operators)
No. 19	Subsidised services – payment rates
No. 21	Safety-net arrangements for qconnect operators
No. 22	Pay period information for all transport operators
No. 23	STAS fare schedule fares-based school bus services variations for fuel prices
No. 24	Payment rates kilometre-based school bus services variations for fuel prices
No. 28A	Vehicle purchase allowance for NC1 kilometre-based school bus services
No. 28B	Vehicle purchase allowance for Subsidised School Bus Services
No. 29A	STAS vehicle policy - kilometre-based school bus services
No. 29B	STAS vehicle policy - fares-based school bus services
	School transport information online service (STIOS) information for bus operators
Form number	Title
F2208	Bus travel assistance application form
F3058	Bus travel assistance safety-net application
F3068	Brisbane City Council (Translink) bus travel assistance safety-net application
F003	School transport operator ABN and GST registration request
F005	School transport new/amend payee bank details
F007	Vehicle purchase allowance application
F008	Conveyance Committee quorum and meeting advice form

F009	Maximum time limit extension for use of a relief vehicle on a contracted (STAS) school bus service application
F010	Specialist school transport arrangement details advice
F011	School transport – student deletion notification
F012	Increase in payment category application form
F019	Service Provider Led Planned Service Change

11. Definitions

Term	Definition
Approved Depot	For cluster kilometric services, the bus depot location approved by the department for the calculation of route distances.
Contract Services	Services operated under a government funded Service Contract.
department	Department of Transport and Main Roads.
funding arrangement	Arrangement between the State and Service Provider for the payment for provision of services.
guardian	The legal guardian or person who has financial responsibility for the student.
Integrated Mass Transit Area (IMTA)	Service contract areas or routes in SEQ prescribed in legislation (also known as the Translink service area).
primary education	Education offered in the preparatory year and years 1 to 6.
principal place of residence	The one place that is usually occupied for residential purposes by the parent/guardian (applicant).
secondary education	Education offered in years 7 to 12.
service contract	Contract between the State and Service Provider for the provision of a public passenger service for an area or route.
Service Provider	A person or entity operating a school bus service.
special eligible students	Students who qualify for transport assistance under the School Transport Assistance Program for Students with a Disability.
subsidised school bus service	Services approved and operated on the basis of only partial funding of the service by government.

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For more information, please contact your local Translink Regional Office of the Department of Transport and Main Roads or go to translink.com.au/schooltransport

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