

## Glossary

<b>Act</b>	Enterprise Act 2002.
<b>Arriva Trains Wales</b>	A <b>TOC</b> and wholly-owned subsidiary of Arriva plc.
<b>Cap-and-collar</b>	A mechanism whereby the revenue risk is shared between the <b>DfT</b> as the franchisor and the <b>TOC</b> as the franchisee.
<b>Catchment area</b>	The geographical area around a coach stop or railway station from which passengers are likely to travel to that coach stop or railway station.
<b>CC</b>	Competition Commission.
<b>Cheap day return</b>	An off-peak <b>unregulated fare</b> valid for return on the same day.
<b>Corridor</b>	Main road on to which a number of routes converge.
<b>Cross-price elasticity</b>	The degree of responsiveness of demand for one product to a change in the price of another product (eg the extent to which demand for bus services would respond to increases in the prices of rail services and vice versa).
<b>DFPT</b>	<i>The Demand for Public Transport: a practical guide, 2004.</i>
<b>DfT</b>	Department for Transport.
<b>DH</b>	A study by Dargay and Hanly, published in 2002.
<b>Diversion ratio</b>	The proportion of passengers ceasing to use a mode of transport in response to a fare increase or reduction in service who would switch to another mode of transport (eg the proportion of passengers who would switch from bus to rail).
<b>FirstGroup</b>	FirstGroup plc and all its subsidiaries.
<b>Flow</b>	A specific journey, comprising origin, destination and permitted routeing, that may be all, or any part, of a longer bus or train route.
<b>Franchise agreement</b>	The agreement between a <b>franchisee</b> and the <b>DfT</b> (previously the <b>SRA</b> ) under which the <b>franchisee</b> undertakes to secure the provision by a <b>TOC</b> of the passenger rail services.
<b>Franchisee</b>	A company that has entered into a <b>franchise agreement</b> with the <b>DfT</b> .
<b>Generalized cost</b>	Perceived value to passengers of all time spent on journeys, including factors such as waiting times and fares.
<b>GWF</b>	Greater Western Passenger Rail franchise.

<b>Headway</b>	The average interval between services, measured in minutes. The less frequent the service, the higher the measure of headway.
<b>Headway elasticity</b>	The extent to which demand for a bus, coach or rail service would respond to an increase in <b>headway</b> .
<b>ITT</b>	Invitation to tender.
<b>NEG</b>	National Express Group PLC.
<b>Network</b>	A collection of interconnected routes. This can be defined in relation to a particular operator's services or a wider geographical area.
<b>Network Rail</b>	The successor body to Railtrack, responsible for the operation, maintenance and renewal of the rail infrastructure.
<b>OFT</b>	Office of Fair Trading.
<b>ORR</b>	Office of Rail Regulation.
<b>Overlap flow</b>	A <b>flow</b> where bus and/or coach and rail services overlap, or where rail services operated by one <b>TOC</b> overlap with those provided by another.
<b>PDFH</b>	Passenger Demand Forecasting Handbook.
<b>Regulated fare</b>	A fare whose price is limited, and whose terms and conditions are protected, by the <b>DfT</b> via the fares regulation schedule contained in each <b>TOC's franchise agreement</b> .
<b>Revenue risk</b>	The financial risk arising from actual revenue falling short of, or exceeding, bid revenues. This risk rests with either the <b>DfT</b> or the <b>TOC</b> or both.
<b>RPI</b>	Retail prices index.
<b>QC</b>	Quality contract. A scheme made under the Transport Act 2000 under which a local authority: <ul style="list-style-type: none"> <li>• determines (a) what local bus services should be provided in the area to which the scheme relates, (b) the standards to which they should be provided (eg frequencies and fares), and (c) any additional facilities which should be provided in that area (eg bus shelters); and</li> <li>• grants a bus operator that undertakes to provide services on these terms the exclusive right to operate the local bus services in the area.</li> </ul>
<b>QPA</b>	Quality partnership agreement. A non-statutory scheme under which a local authority typically provides improved facilities such as bus shelters, bus stations and bus lanes and bus operators undertake to provide bus services of a particular standard.
<b>QPS</b>	Quality partnership scheme. A statutory scheme, under the

Transport Act 2000. The principal differences from a non-statutory **QPA** is that a **QPS** is enforceable and the local authority and bus operators are required to commit themselves to delivering specific improvements to the quality of bus services in an area or along a bus corridor. The local authority may not specify service frequencies, service timings or fares.

<b>Saver return</b>	A reduced price, off-peak, 'turn up and go' return ticket valid for travel within a stipulated period and at a <b>regulated fare</b> if the ticket existed in February 2003.
<b>ScotRail report</b>	<i>FirstGroup plc and the Scottish Passenger Rail franchise: a report on the proposed acquisition by FirstGroup plc of the Scottish Passenger rail franchise currently operated by ScotRail Railways Limited, The Stationery Office, June 2004.</i>
<b>Service elasticity</b>	The extent to which demand for a bus or rail service would respond to a change in the frequency of the service.
<b>SEWTA</b>	South East Wales Transport Alliance.
<b>SLC</b>	Substantial lessening of competition.
<b>South West Trains</b>	South West Trains Limited, a <b>TOC</b> and a wholly-owned subsidiary of <b>Stagecoach</b> .
<b>SRA</b>	Strategic Rail Authority.
<b>Stagecoach</b>	Stagecoach Group plc.
<b>Synovate</b>	Synovate Limited.
<b>Tendered services</b>	Services operated under contract to, and normally supported financially by, local authorities that seek tenders for doing so.
<b>TGWU</b>	Transport & General Workers Union.
<b>TOC</b>	Train operating company.
<b>Unregulated fare</b>	A fare which a <b>TOC</b> may alter without reference to the <b>DfT</b> .
<b>Virgin Cross Country</b>	CrossCountry Trains Ltd, a <b>TOC</b> and a wholly-owned subsidiary of Virgin Rail Group which, together with West Coast Trains Ltd, operates under the name Virgin Trains.
<b>Wessex Trains</b>	Wales and West Passenger Trains Limited trading as Wessex Trains, a <b>TOC</b> and a wholly-owned subsidiary of <b>NEG</b> .
<b>Yield management system</b>	A computerized system covering the process of understanding, anticipating and reacting to consumer behaviour in order to maximize revenue.